

# MEMORANDUM

Agenda Item No. 8(F)(3)

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**TO:** Honorable Chairman Jean Monestime  
and Members, Board of County Commissioners

**DATE:** May 19, 2015


**FROM:** R. A. Cuevas, Jr.  
County Attorney

**SUBJECT:** Resolution rescinding  
Administrative Order 8-5,  
related to permission to  
conduct private business on  
public property; approving  
Implementing Order 8-5 related  
to permission to conduct private  
business on public property and  
establishing a fee schedule for  
Parcel B

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The accompanying resolution was prepared by the Internal Services Department and placed on the agenda at the request of Prime Sponsor Commissioner Juan C. Zapata

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R. A. Cuevas, Jr.  
County Attorney

RAC/cp

# Memorandum



Date: May 19, 2015

To: Honorable Chairman Jean Monestime  
and Members, Board of County Commissioners

From: Carlos A. Gimenez  
County Mayor

A handwritten signature in black ink, appearing to read "Carlos A. Gimenez", written over the printed name.

Subject: Resolution Rescinding Administrative Order 8-5, Permission to Conduct Private Business on Public Property, and Approving Implementing Order 8-5, Permission to Conduct Private Business on Public Property and Fee Schedule for Parcel B

## **Recommendation**

It is recommended that the Board of County Commissioners (Board) adopt the attached resolution that rescinds *Administrative Order (AO) 8-5, Permission to Conduct Private Business on Public Property*, and approves *Implementing Order (IO) 8-5, Permission to Conduct Private Business on Public Property and Fee Schedule for Parcel B*. The proposed Implementing Order 8-5 incorporates the following changes:

- Establishes a Fee Schedule for use of Parcel B pursuant to R-688-14, which was adopted by the Board on July 17, 2014, based on an appraisal/valuation analysis conducted by CBRE, Inc., a third-party real estate appraisal firm;
- If the County has issued a solicitation but has not issued a final award, authorizes the County Mayor or County Mayor's designee to extend expiring revenue-generating permits to conduct private business on County property on a month-to-month basis, not to exceed one year, until a concession, lease, or agreement is awarded through a competitive process for all County properties; and
- Updates departmental names and similar non-substantive changes throughout the document.

On July 17, 2014, the Board adopted Resolution R-688-14, which directed the Mayor to: (a) employ a certified appraiser to appraise the fair market value of Parcel B and (b) utilize this appraisal to propose a fee schedule for use of Parcel B by third parties. Resolution R-688-14 also established the policy that fee revenues received from Parcel B, less the payment of costs associated with its operation and maintenance, be allocated to fund capital improvements at County parks subject to annual appropriation by the Board. The details of the fair market value appraisal conducted, as well as the recommendation from the appraiser as to the appropriate rental rate to be charged to third parties, are discussed in the Background Section of this transmittal memorandum.

## **Scope**

Parcel B is located at 400 NE 8 Street, Miami, Florida (behind the American Airlines Arena), which is located in Commission District 3 and represented by Commissioner Audrey M. Edmonson. However, rental/use of Parcel B is generally conducted in association with events that are countywide in nature.

Additionally, private use of other County properties is conducted throughout all of Miami-Dade County.

## **Fiscal Impact/Funding Source**

Based on the historical usage of Parcel B by third parties, it is estimated that the proposed increased daily fee structure would increase the annual revenues generated by Parcel B from approximately \$80,000 to approximately \$230,000, an annual gain of \$150,000. Per Resolution R-688-14, these revenues, net of operating and maintenance costs, would be allocated to the Parks, Recreation and Open Spaces Department for capital improvements at County parks.

## **Track Record/Monitor**

Each County department is responsible for the management and oversight of the properties under their purview. Jose Galan, Director of the Real Estate Development Division in the Internal Services Department, is responsible for the countywide management, oversight, and implementation of the policies set forth in Implementing Order 8-5.

## **Background**

### **Parcel B Fee Structure**

Subsequent to the July 17, 2014 Board meeting, CBRE, Inc. was competitively selected to conduct the appraisal and analysis tasks outlined in Resolution R-688-14. CBRE, Inc. provided its completed appraisal on September 29, 2014 (Attachment 1). In determining a fair market daily rental rate for the current uses on Parcel B, CBRE, Inc. based its analysis on market research and gave consideration to several factors including the current fee structure, the types of existing and potential users, and the intensity of use. The daily fee structure proposed is as follows and incorporated into the recommended Implementing Order 8-5:

<b>Description of Use</b>	<b>Deposit Amount</b>	<b>Daily Fee Amount</b>
Valet Parking	\$2,000	\$4,000
Staging for Concerts	\$2,000	\$1,100
Staging for the Circus	\$5,000	\$1,300
Carnivals	\$5,000	\$18,000
Concerts	\$5,000	\$36,000
Parties	\$2,000	\$2,500

The County currently provides permit agreements for the use of Parcel B to entities not affiliated with the County, such as Basketball Properties, Inc., concert operators, and operators and sponsors of other types of events.

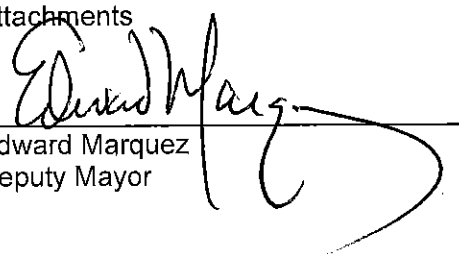
### **Parcel B Appraisal Value**

As it relates to the full appraisal value of Parcel B, Page 2 of the letter from the appraiser dated September 29, 2014 (Attachment 1) shows possible market values under different scenarios, ranging from the value of the Parcel B tract itself under current zoning restrictions, to the value of Parcel B including accompanying rights-of-way and unrestricted zoning. The possible market value under these scenarios varies widely, ranging from \$7.5 million to \$120 million.

### **Month-to-Month Extensions of Permits**

Administrative Order 8-5 currently provides an administrative process for issuance by the County Mayor or County Mayor's designee of a one-year permit, plus a one-year renewal term for private businesses to conduct private business on any County property. Such permits are issued for short-term concessions, use of parking lots, and similar County revenue-generating contracts with private businesses, usually for special events or when there is a need to provide certain goods and services to the public that are not currently provided by the County. Such permits are intended to be used while a competitive process is underway for the use of County property. There is currently no authorization provided in the existing Administrative Order 8-5 to allow the County Mayor or County Mayor's designee to extend such permit until a competitive contract is awarded. As such, the proposed Implementing Order 8-5 includes new language, authorizing the County Mayor or County Mayor's designee to extend revenue-generating permits on a month-to-month basis when such a situation exists. This change is not intended to diminish the County's long-established competitive bidding process, and the County will follow all applicable competitive procedures in awarding concessions, leases, or related contractual agreements.

Attachments

  
Edward Marquez  
Deputy Mayor

# APPRAISAL REPORT

MARITIME ARENA PLAT, TRACT B  
400 N.E. 8th Street  
Miami, Miami-Dade County, Florida 33132  
CBRE, Inc. File No. 14-397Mi-1550  
Client Reference No. R-797-00

Dawn M. Soper  
Real Estate Officer  
MIAMI-DADE COUNTY, INTERNAL SERVICES  
DEPARTMENT REAL ESTATE DEVELOPMENT  
DIVISION  
111 N.W. 1st Street, Suite 2460  
Miami, Florida 33128

[www.cbre.com/valuation](http://www.cbre.com/valuation)

**CBRE**



September 29, 2014

Dawn M. Soper  
Real Estate Officer  
MIAMI-DADE COUNTY,  
INTERNAL SERVICES DEPARTMENT REAL ESTATE DEVELOPMENT DIVISION  
111 N.W. 1st Street, Suite 2460  
Miami, Florida 33128

RE: Appraisal of Maritime Arena Plat, Tract B  
400 N.E. 8th Street  
Miami, Miami-Dade County, Florida  
CBRE, Inc. File No. 14-397MI-1550  
Client Reference No. R-797-00

Dear Ms. Soper:

At your request and authorization, CBRE, Inc. has prepared an appraisal of the market value of the referenced property. Our analysis is presented in the following Appraisal Report.

The subject property comprises two parcels: a 2.77-acre (120,485-SF) civic space and parks zoned parcel identified as Tract B of the Maritime Arena Plat; and 1.38-acres (60,302-SF) of dedicated right-of-way that wraps Tract B. The combined site area totals 4.186-acres (180,517-SF). The subject property is part of an 19.042-acre, unplatted parent tract (n.k.a the Maritime Arena Plat, Tracts A, B & C) of land that was purchased by Metropolitan Dade County from the City of Miami for the express purpose of developing a multipurpose professional sports franchise facility, known as the American Airlines Arena (AAA), and related facilities including parking support, retail, specialty entertainment, dining, cinema, public cultural facilities, museums, visitor attraction space and ancillary office space.

It is important to note, the sale purchase and deed transfer of the parent tract, including the subject Tract B includes a restrictive covenant, which limits the development on all of the land for a 33-year period commencing January 8, 1998, to the arena, i.e. sports & entertainment complex including 37,500-SF of office space; retail, food & beverage space within the ticket secure area inside the arena; 30,000-SF of retail space located outside of the secure ticket area; parking, roadways, plaza and other public spaces on Tract A of the Maritime Arena Plat; and specialty entertainment up to 70,000-SF for retail, dining, cinema, public cultural facilities, educational facilities, museums and visitor attractions, as well as, administrative office space on Tract B of the Maritime Arena Plat. Adequate parking facilities for the aforementioned uses has

to be built on site, either below or above ground on surface of multi-level parking facility and the City of Miami Baywalk for downtown has to be maintained.

At the specific request of the client, we have been asked to estimate the market value As Is and the market rent As Is (annual ground rent) of the subject property Tract B, i.e. 2.77-acres; and, Tract B including the dedicated rights-of-way, i.e. the total 4.186-acres. We have also been asked to estimate the fair market daily rental rate of several allowable uses including valet parking support for Miami Heat games at the AAA; the staging support for concerts & circus events occurring at the AAA; and, third party sponsored concerts, carnivals and private party events. The schedule of fair market daily rental rates is attached as an exhibit in Addenda A of this report.

We have also been requested to estimate the hypothetical market value based on the highest & best use of Tract B with and without the dedicated rights-of-way and assuming no restrictions and being able to adequately re-zone and/or re-plot the site, including the dedicated rights-of-way, necessary to achieve the maximum highest & best use of the subject property.

Based on the analysis contained in the following report, the market values As Is, market rent As Is and the hypothetical values without restrictions for the subject is concluded as follows:

MARKET VALUE & MARKET RENT CONCLUSIONS			
Appraisal Premise	Interest Appraised	Date of Value	Value & Rent Conclusions
As Is Land Value of Tract B	Fee Simple Estate	September 2, 2014	\$7,500,000
As Is Land Value of Tract B & Dedicated Rights-of-Way	Fee Simple Estate	September 2, 2014	\$10,000,000
As Is Market Rent for Tract B	Fee Simple Estate	September 2, 2014	\$720,000
As Is Market Rent for Tract B & Dedicated Rights-of-Way	Fee Simple Estate	September 2, 2014	\$820,000
Hypothetical Value of Tract B (Without Restriction of Use)	Fee Simple Estate	September 2, 2014	\$100,000,000
Hypothetical Value of Tract B & Dedicated ROW (Without Restriction of Use)	Fee Simple Estate	September 2, 2014	\$120,000,000
Compiled by CBRE			

The report, in its entirety, including all assumptions and limiting conditions, is an integral part of, and inseparable from, this letter.

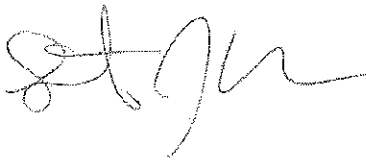
The following appraisal sets forth the most pertinent data gathered, the techniques employed, and the reasoning leading to the opinion of value. The analyses, opinions and conclusions were developed based on, and this report has been prepared in conformance with, the guidelines and recommendations set forth in the Uniform Standards of Professional Appraisal Practice (USPAP), the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

The intended use and user of our report are specifically identified in our report as agreed upon in our contract for services and/or reliance language found in the report. No other use or user of the report is permitted by any other party for any other purpose. Dissemination of this report by any party to non-client, non-intended users does not extend reliance to any other party and CBRE will not be responsible for unauthorized use of the report, its conclusions or contents used partially or in its entirety.

It has been a pleasure to assist you in this assignment. If you have any questions concerning the analysis, or if CBRE can be of further service, please contact us.

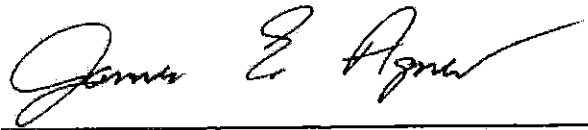
Respectfully submitted,

CBRE - VALUATION & ADVISORY SERVICES



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Stuart J. Lieberman, MAI  
Vice President  
Cert Gen RZ1074  
[www.cbre.com/stuart.lieberman](http://www.cbre.com/stuart.lieberman)  
Phone: (305) 381-6472  
Fax: (305) 381-6441  
Email: [stuart.lieberman@cbre.com](mailto:stuart.lieberman@cbre.com)



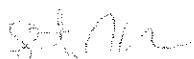
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James E. Agner, MAI, MRICS  
Managing Director – Florida/Caribbean  
Cert Gen RZ382  
[www.cbre.com/james.agner](http://www.cbre.com/james.agner)  
Phone: (305) 381-6480  
Fax: (305) 381-6441  
Email: [james.agner@cbre.com](mailto:james.agner@cbre.com)

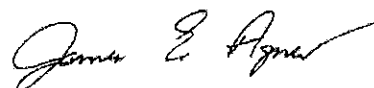
## Certification

We certify to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in or bias with respect to the property that is the subject of this report and have no personal interest in or bias with respect to the parties involved with this assignment.
4. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
5. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
6. This appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.
7. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice, as well as the requirements of the State of Florida.
8. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
9. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
10. As of the date of this report, Stuart J. Lieberman, MAI and James E. Agner, MAI, MRICS have completed the continuing education program for Designated Members of the Appraisal Institute.
11. Stuart J. Lieberman, MAI and James E. Agner, MAI, MRICS have both made a personal inspection of the property that is the subject of this report.
12. No one provided significant real property appraisal assistance to the persons signing this report.
13. Valuation & Advisory Services operates as an independent economic entity within CBRE, Inc. Although employees of other CBRE, Inc. divisions may be contacted as a part of our routine market research investigations, absolute client confidentiality and privacy were maintained at all times with regard to this assignment without conflict of interest.
14. Stuart J. Lieberman, MAI and James E. Agner, MAI, MRICS have not provided any services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

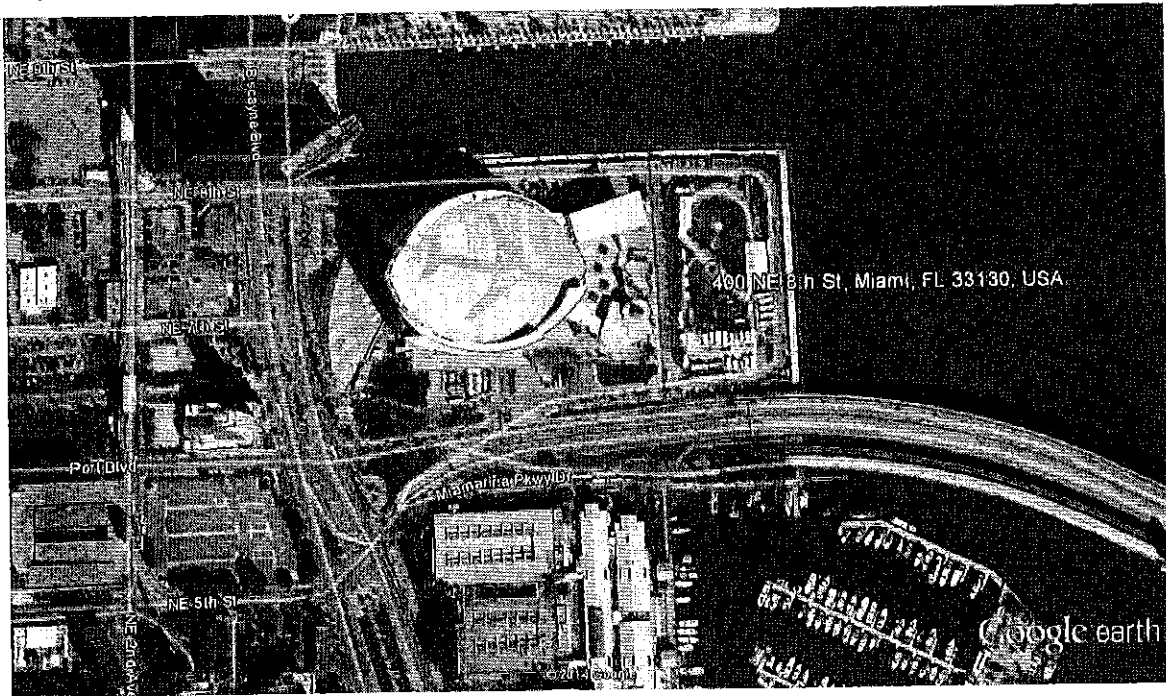


Stuart J. Lieberman, MAI  
Cert Gen RZ1074

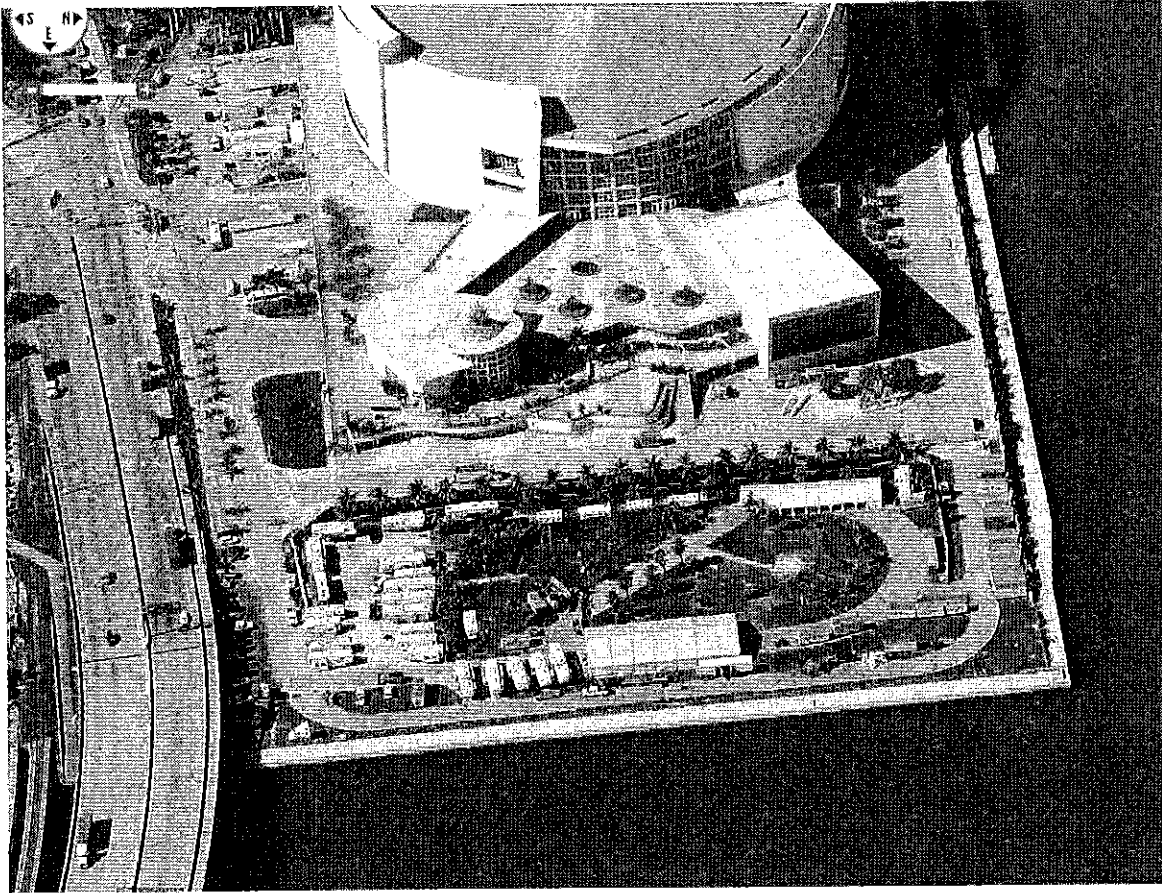


James E. Agner, MAI, MRICS  
Cert Gen RZ382

## Subject Photographs



Aerial View



Aerial View – Ringling Brothers Circus Event Staging Use

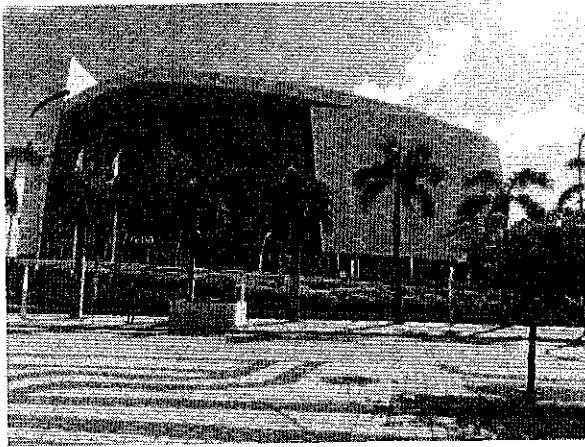


Photo 1 – AAA (not part of analysis)

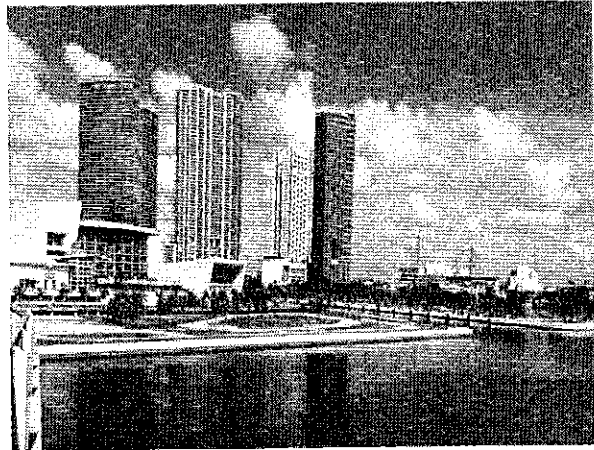


Photo 2 – View from Port Boulevard

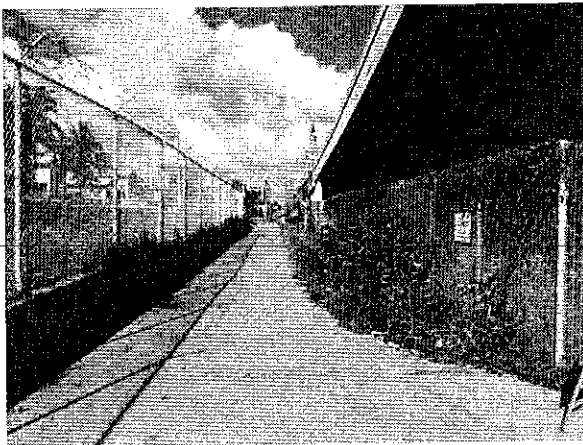


Photo 3 – Pedestrian Connector to Bayside

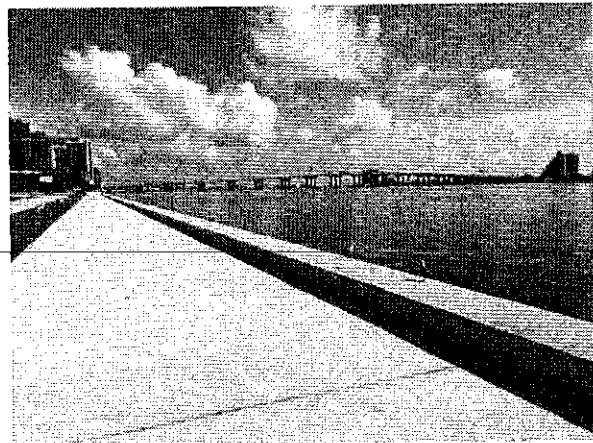


Photo 4 – Baywalk/Seawall Looking North

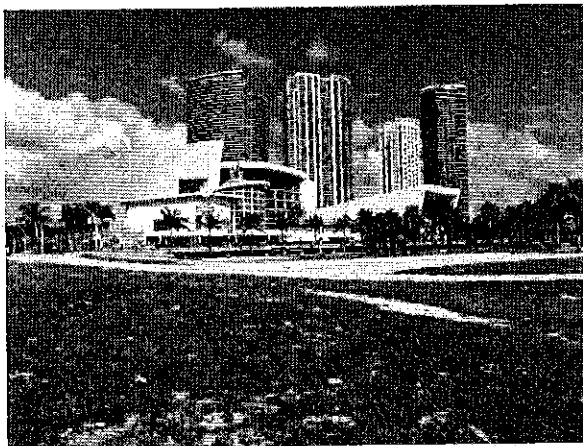


Photo 5 – Interior Site View Looking West



Photo 6 – Interior Site View Looking North



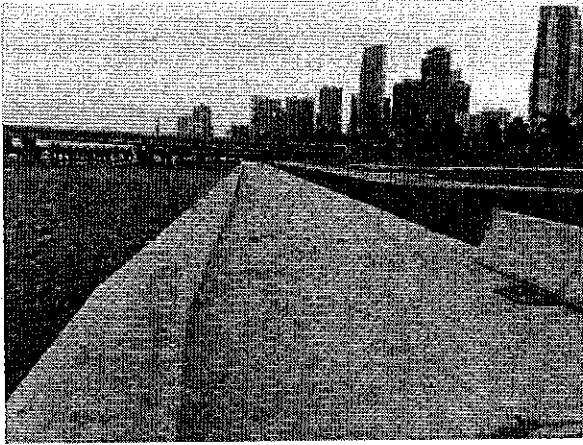


Photo 7 – Baywalk/Seawall Looking South



Photo 8 – Interior Site View Looking South

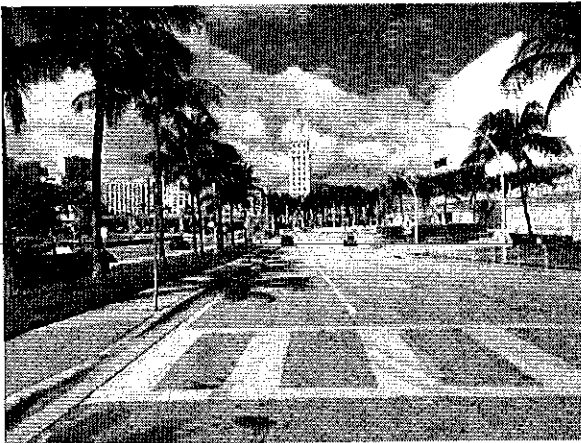


Photo 9 – N. Bayshore Drive Looking West

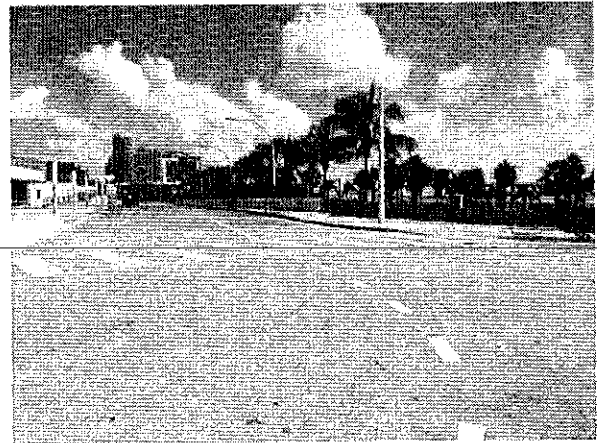


Photo 10 – Heat Boulevard Looking North

# Executive Summary

**Property Name**

Maritime Arena Plot, Tract B

**Location**

400 N.E. 8th Street, Miami, Miami-Dade County, Florida 33132

**Client Reference Number**

R-797-00

**Highest and Best Use**

As If Vacant

Mixed-use retail/restaurant plaza with transient dockage, Baywalk, open space &amp; public park elements

Fee Simple Estate

**Property Rights Appraised****Date of Report**

September 29, 2014

**Date of Inspection**

September 2, 2014

**Estimated Exposure Time**

12 Months

**Estimated Marketing Time**

12 Months

**Land Area - Tract B**

2.77 AC 120,485 SF

**Land Area - Rights-of-Way**

1.42 AC 61,856 SF

**Total Land Area - Tract B & Dedicated Rights-of-Way**

4.19 AC 182,341 SF

**Improvements - Proposed**

Property Type

Land

Number of Buildings

TBD

Number of Stories

2

Gross Building Area

70,000 SF (Retail)

Year Built

Proposed

Condition

New

**Buyer Profile**

Developer

**VALUATION****Market Value As Is of Tract B On****September 2, 2014**

Cost Approach

Not Applicable

**Per SF**

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Sales Comparison Approach

\$8,000,000

\$66.40

Income Approach - Land Residual

\$7,000,000

\$58.10

**Market Value As Is of Tract B & ROW On****September 2, 2014**

Cost Approach

Not Applicable

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Sales Comparison Approach

\$10,000,000

\$54.84

Income Approach - Land Residual

Not Applicable

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**CONCLUDED MARKET VALUES & MARKET RENTS**

Appraisal Premise	Interest Appraised	Date of Value	Values & Rent
As Is Land Value of Tract B	Fee Simple Estate	September 2, 2014	\$7,500,000
As Is Land Value of Tract B & Dedicated Rights-of-Way	Fee Simple Estate	September 2, 2014	\$10,000,000
As Is Market Rent for Tract B	Fee Simple Estate	September 2, 2014	\$720,000
As Is Market Rent for Tract B & Dedicated Rights-of-Way	Fee Simple Estate	September 2, 2014	\$820,000
Hypothetical Value of Tract B (Without Restriction of Use)	Fee Simple Estate	September 2, 2014	\$100,000,000
Hypothetical Value of Tract B & Dedicated ROW (Without Restriction of Use)	Fee Simple Estate	September 2, 2014	\$120,000,000

Compiled by CBRE

## STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS (SWOT)

### Strengths/ Opportunities

- The subject fronts the west bank of Biscayne Bay and is surrounded by the American Airlines Arena (AAA) to the west, Port Boulevard and Bayside Marketplace to the south and Museum Park to the north.
- The subject is located within convenient walking distance to the Adrienne Arsht Performing Arts Center, the Adrienne Arsht Center Metromover Station and the Omni Center bus Terminal.
- Strategic location within the downtown Miami CBD and urban core.
- Long term outlook and population growth for Miami CBD is very positive, including Port Miami growth from the Panama Canal expansion and new residential & hotel towers under construction and proposed.

### Weaknesses/ Threats

- The Baywalk project remains fragmented and requires additional segments and pedestrian bridges to be completed before the pedestrian connectivity can be realized.
- The deed restrictions and covenants adversely impact the ultimate highest & best use of the subject site, i.e. high density, mixed-use residential/retail tower with unobstructed Biscayne Bay views.

## EXTRAORDINARY ASSUMPTIONS

An extraordinary assumption is defined as "an assumption directly related to a specific assignment, as of the effective date of the assignment results, which if found to be false, could alter the appraiser's opinions or conclusions."<sup>1</sup>

- We requested a survey of the subject Tract B and the dedicated rights-of-way, but none was provided. Our site area presentation and calculations are based on the legal description provided, the recorded plat for Maritime Arena, Plat Book 154, at Page 37, as recorded in the Miami-Dade County Public Records, and a Coordinate Geometry Report (COGO) provided by the client and prepared by Miami-Dade County Public Works & Waste Management, dated August 21<sup>st</sup>, 2014. It is important to note, the COGO site area calculations provided included the baywalk area, i.e. the edge of the plat and east to the bulkhead line, but exclude the seawall, i.e. east of the bulkhead line. The baywalk square foot area is also excluded from the subject site area and analysis in order to remove the maintenance cost obligations from what is intended to be a public baywalk, while retaining a marketable benefit to any prospective user of the subject site.

## HYPOTHETICAL CONDITIONS

A hypothetical condition is defined as "a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purposes of analysis."<sup>2</sup>

<sup>1</sup> The Appraisal Foundation, USPAP, 2014-2015 ed., U-3.

<sup>2</sup> The Appraisal Foundation, USPAP, 2014-2015 ed., U-3.

- Because the highest & best use of the subject property Tract B with or without the dedicated rights-of-way assumes a high density, mixed-use residential/retail tower without restrictions or regard to the lengthy & costly re-zoning and re-platting process including a complex approval process from City, County and Arena operating entities, it is considered to be hypothetical.

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## Introduction

### OWNERSHIP AND PROPERTY HISTORY

Title to the property is currently vested in the name of Miami-Dade County GSA Real Estate Management, who acquired title to the property in January 1998, as vacant for \$37,606,234, including the entire 19.042-acre parent tract.

The subject property was purchased by Metropolitan Dade County from the City of Miami for the express purpose of developing a multipurpose professional sports franchise facility, known as the American Airlines Arena (AAA), and related facilities including parking support, retail, specialty entertainment, dining, cinema, public cultural facilities, museums, visitor attraction space and ancillary office space.

As part of the aforementioned sale transaction, a Tri-Party Agreement was executed between the City of Miami, Bayside Center Limited Partnership and Miami-Dade County in support of the American Airlines Arena (AAA) Agreement by providing certain rights and responsibilities for the construction of the AAA. The AAA agreements provided for the planning, design, construction, operation and management of the subject Tract B retail complex. The Tract B retail complex consists of: up to 70,000-SF of rentable square feet of permanent retail space and attendant service facilities; carts, kiosks and other retail/food merchandising units which are semi-permanent in nature and event carts present outside the ticket secure zone on the entire site, ~~excluding the roadways; facilities for transient maritime docking along the eastern seawall; a Baywalk; open space and construction of a pedestrian bridge.~~

However, under the Composite Amendment Eight (8) to the AAA agreements and the second amendment to the Tri-Party Agreement, Bayside Center Limited Partnership's rights & obligations under the Arena Agreements to the subject Tract B retail complex were terminated in order for the County to utilize the subject Tract B for public open space purposes.

It is also our understanding, as of April 2014 and through the effective date of this appraisal, that the subject site is being considered for possible development of a Cuban Exile History Museum on subject Tract B and the dedicated rights-of-way.

### INTENDED USE OF REPORT

This appraisal is to be used for internal decision making and possible ground lease negotiations by the client, and no other use is permitted.

### INTENDED USER OF REPORT

This appraisal is to be used by the client, Miami-Dade County, Internal Services Department Real Estate Development Division and Members of the Board of Miami-Dade County Commissioners, and no other user may rely on our report unless as specifically indicated in the report.

Intended Users - the intended user is the person (or entity) who the appraiser intends will use the results of the appraisal. The client may provide the appraiser with information about other potential users of the appraisal, but the appraiser ultimately determines who the appropriate users are given the appraisal problem to be solved. Identifying the intended users is necessary so that the appraiser can report the opinions and conclusions developed in the appraisal in a manner that is clear and understandable to the intended users. Parties who receive or might receive a copy of the appraisal are not necessarily intended users. The appraiser's responsibility is to the intended users identified in the report, not to all readers of the appraisal report.<sup>3</sup>

## PURPOSE OF THE APPRAISAL

The purpose of this appraisal is to estimate the market value, market rent and hypothetical value of the subject property.

## DEFINITION OF VALUE

The current economic definition of market value agreed upon by agencies that regulate federal financial institutions in the U.S. (and used herein) is as follows:

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised, and acting in what they consider their own best interests;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.<sup>4</sup>

Market rent is defined in the 13th Addition of The Appraisal of Real Estate as the rental income that a property would probably command in the open market. It is indicated by the current rents that are either paid or asked for comparable properties with the same division of expenses as of the date of appraisal.

## INTEREST APPRAISED

The value estimated represents fee simple estate and defined as follows:

<sup>3</sup> Appraisal Institute, *The Appraisal of Real Estate*, 14<sup>th</sup> ed. (Chicago: Appraisal Institute, 2013), 50.

<sup>4</sup> Interagency Appraisal and Evaluation Guidelines; December 10, 2010, Federal Register, Volume 75 Number 237, Page 77472.



*Fee Simple Estate* - Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat.<sup>5</sup>

*Leased Fee Interest* - A freehold (ownership interest) where the possessory interest has been granted to another party by creation of a contractual landlord-tenant relationship (i.e., a lease).<sup>6</sup>

*Leasehold Interest* - The tenant's possessory interest created by a lease.<sup>7</sup>

## SCOPE OF WORK

This Appraisal Report is intended to comply with the reporting requirements set forth under Standards Rule 2 of USPAP. The scope of the assignment relates to the extent and manner in which research is conducted, data is gathered and analysis is applied. CBRE, Inc. completed the following steps for this assignment:

### Extent to Which the Property is Identified

The property is identified through the following sources:

- postal address
- assessor's records
- legal description
- recorded plat

### Extent to Which the Property is Inspected

The extent of the inspection included the following: on-site and surrounding environs.

### Type and Extent of the Data Researched

CBRE reviewed the following:

- applicable tax data
- zoning requirements
- flood zone status
- demographics
- comparable sale, listing & rental data

### Type and Extent of Analysis Applied

CBRE, Inc. analyzed the data gathered through the use of appropriate and accepted appraisal methodology to arrive at a probable value indication via each applicable approach to value. For vacant land, the sales comparison approach has been employed for this assignment.

<sup>5</sup> *Dictionary of Real Estate Appraisal*, 78.

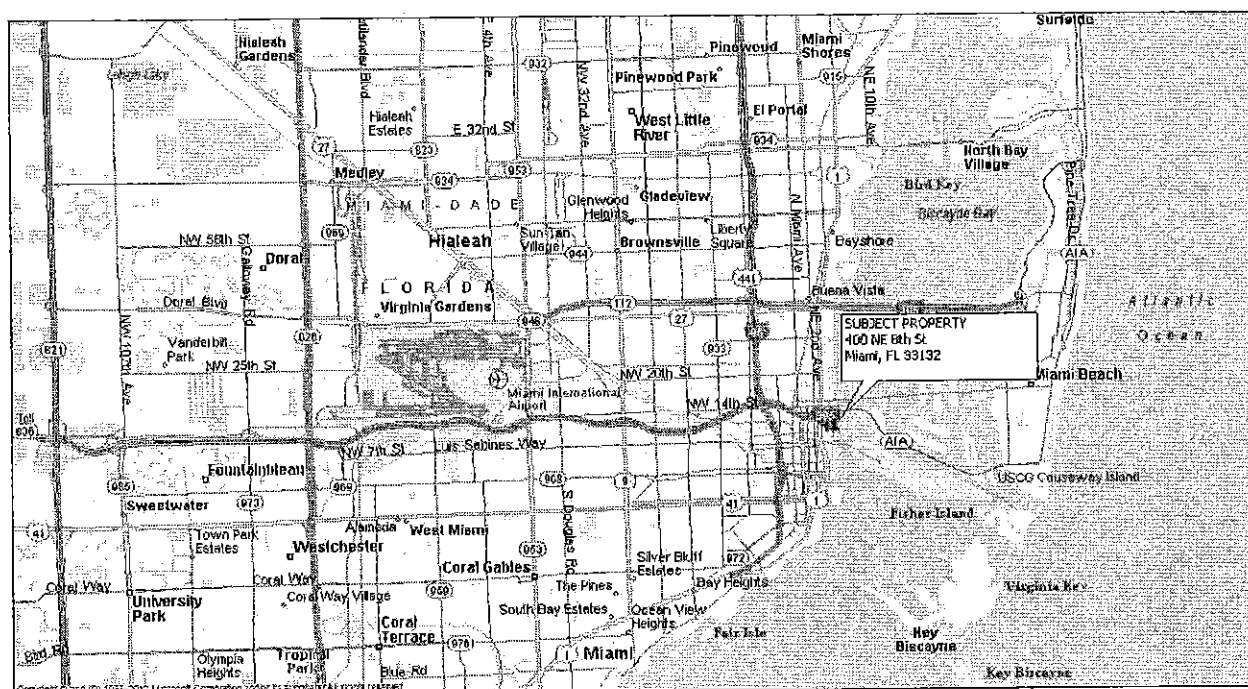
<sup>6</sup> *Dictionary of Real Estate Appraisal*, 113.

<sup>7</sup> *Dictionary of Real Estate Appraisal*, 113.

## Data Resources Utilized in the Analysis

DATA SOURCES	
Item:	Source(s):
<b>Site Data</b>	
Size	Legal description, recorded plat and Coordinate Geometry Report (COGO measurements)
<b>Improved Data - Proposed</b>	
Building Area	Restrictive Covenants and conceptual studies
No. Bldgs.	TBD
Parking Spaces	TBD
Year Built/Developed	Proposed
<b>Other</b>	
Resolutions & Amendments	Composite Amendments 6, 7 & 8 to American Airlines Arena agreement
Conceptual Studies	Memorandums to update conceptual studies of possible use of a Cuban Exile History Museum
Compiled by CBRE	

## Area Analysis



Moody's Economy.com provides the following Miami, FL [Metropolitan Division] metro area economic summary as of Jul-14. The full Moody's Economy.com report is presented in the Addenda.

MIAMI, FL [METROPOLITAN DIVISION] - ECONOMIC INDICATORS												
Indicators	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Gross Metro Product (C\$B)	111.3	104.8	104.1	104.4	106.7	108.3	109.3	111.5	113.8	115.5	116.5	116.7
% Change	-3.7	-5.8	-0.7	0.3	2.2	1.5	0.9	2.0	2.1	1.5	0.8	0.2
Total Employment (Ths)	1,047.4	988.6	985.1	1,007.6	1,031.6	1,058.3	1,087.6	1,111.6	1,139.8	1,159.6	1,168.7	1,172.1
% Change	-1.8	-5.6	-0.4	2.3	2.4	2.6	2.8	2.2	2.5	1.8	0.8	0.3
Unemployment Rate (%)	6.3	11.3	12.4	11.3	9.5	8.4	7.2	6.7	5.8	5.1	4.6	4.6
Personal Income Growth (%)	1.9	-3.0	4.7	6.5	2.9	3.4	6.0	6.6	6.8	6.1	4.9	4.2
Median Household Income (\$ Ths)	44.0	41.2	40.5	40.6	41.5	43.1	44.7	46.4	48.1	49.8	51.2	52.4
Population (Ths)	2,436.1	2,463.9	2,504.8	2,566.7	2,592.7	2,617.2	2,630.4	2,650.8	2,677.8	2,718.1	2,762.3	2,805.7
% Change	0.8	1.1	1.7	2.5	1.0	0.9	0.5	0.8	1.0	1.5	1.6	1.6
Net Migration (000)	-6.6	13.4	27.1	48.6	13.7	11.0	1.9	9.3	16.0	29.4	33.4	32.9
Single-Family Permits	1,066.0	624.0	941.0	962.0	1,819.0	2,286.0	2,142.9	4,298.8	6,413.4	6,886.9	6,471.1	6,257.7
Multifamily Permits	2,388.0	771.0	2,282.0	1,656.0	3,250.0	8,050.0	6,112.0	7,654.8	9,086.4	8,292.6	7,709.3	7,626.2
Existing-Home Price (\$ Ths)	287.1	194.8	189.9	171.6	193.0	234.8	256.5	266.2	274.3	280.6	288.2	296.7

Source: Moody's Economy.com

## RECENT PERFORMANCE

Miami-Miami Beach-Kendall is recovering, but low-income jobs are leading growth, keeping the economy from getting fully back on track. Low-paying positions in hospitality and retail such as those at the recently expanded Dadeland Mall make up less than one-fifth of all jobs in Miami but account for one-third of the total created over the last year. Although total payroll employment is at an all-time high and rising at a healthy 3% per year, household employment

remains below its prerecession peak and is inching ahead only slowly. This difference suggests that more workers are employed in multiple part-time jobs and are being double-counted in the payroll survey. However, relief is coming to the area's underemployed workforce, especially its builders and contractors. A sustained recovery in housing and massive new development projects should spark a robust jobs recovery in the intermediate term.

## HOUSING

Miami is enjoying a widespread recovery in its housing market, and this growth will continue. According to the Miami Association of Realtors, sales and the median house price increased in June by 9.5% and 6%, respectively, over last year. Both gains slightly surpassed the statewide pace. House prices in Miami have risen by 39% since they touched their lowest point in the first quarter of 2011, with prices in the poorest ZIP codes rising more quickly during that time than prices in the wealthiest areas. Rising house prices contribute to economic growth by creating wealth, encouraging consumer spending, and enabling labor force mobility as fewer homeowners are tied down by underwater mortgages. The local housing recovery will continue to reach every corner of the region, but it will take another decade of steady gains before homeowners regain all of the home equity lost during the Great Recession.

## TRANSIT HUB

Transportation enhancements have the potential to spur new development and boost the area's growth prospects. An enormous train depot is under development in downtown Miami. Developers say that the train station, which will provide a link with Miami's intercity rail system, will support 2,100 construction jobs and 400 permanent positions. All Aboard Florida, the group that is planning to build the \$2.3 billion passenger railway linking South Florida with Central Florida by 2017, recently unveiled plans for its terminal in the metro division, which will be the system's crown jewel. The train system will give tourists in Orlando more convenient access to Miami, creating more local jobs and income in leisure and hospitality.

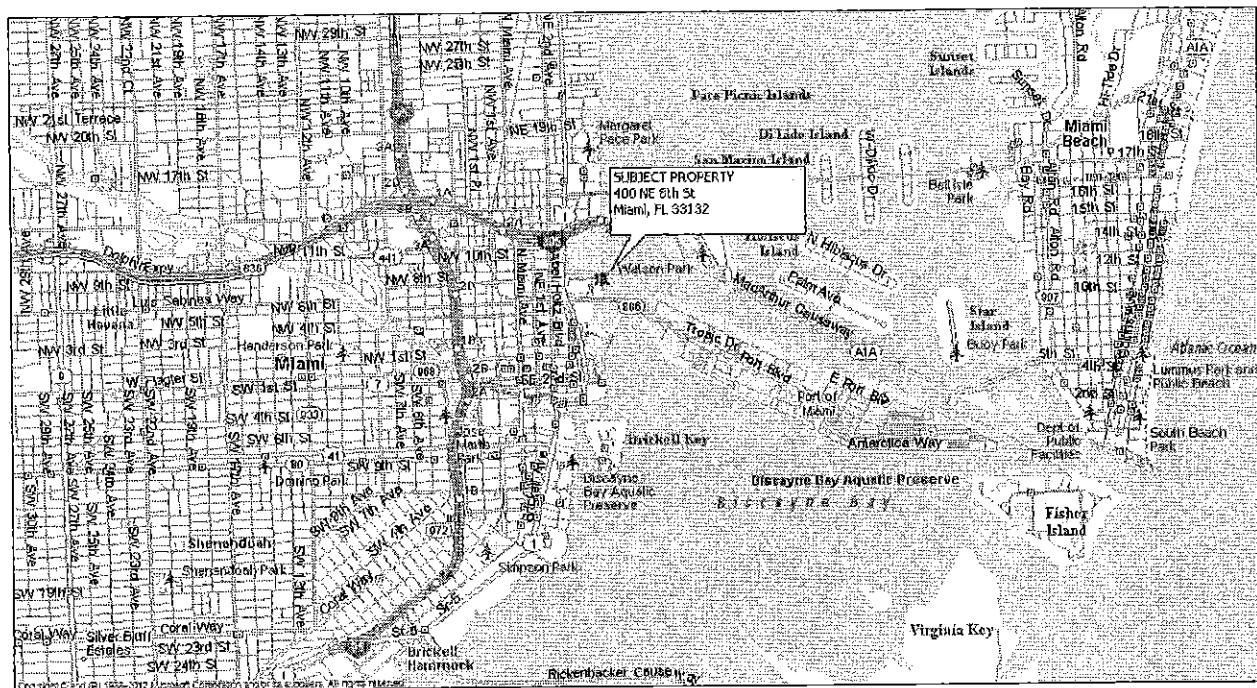
## MIAMI WORLDCENTER

Commercial development also enhances Miami's growth potential. Developers recently submitted plans to the City of Miami for the first phase of the multibillion-dollar 30-acre Miami Worldcenter development. The early phase will support 19,500 temporary construction jobs and 14,000 permanent positions. This mixed-use project will accelerate the transformation of the central business district from a nine-to-five downtown to a more vibrant 24-hour community, and further rejuvenate population growth in the city's core. The project, which will break ground in the fourth quarter, will eventually include an 1,800-room Marriott Marquis hotel, 1 million square feet of retail space anchored by Bloomingdale's and Macy's, and 1,000 residential units.

## CONCLUSION

In the near term, Miami-Miami Beach-Kendall will grow in line with the nation thanks to strength in construction and distribution and the metro division's international linkages. Over the forecast horizon, Miami's international ties, coupled with infrastructure expansion, will enable it to outperform the nation.

# Neighborhood Analysis



## LOCATION

The subject property is located along the west bank of Biscayne Bay, between Port Boulevard to the south, Heat Boulevard to the west and Museum Park to the north and within downtown Miami, Florida. The subject is located in very close proximity to the major transportation arteries, including Interstate 95, the Dolphin Expressway (State Road No. 836), Biscayne Boulevard and Brickell Avenue, as well as the Metromover elevated train systems.

## BOUNDARIES

The neighborhood boundaries are detailed as follows:

North:	Interstate 395 (Dolphin Expressway)
South:	S.W. 25 <sup>th</sup> Road/Rickenbacker Causeway
East:	Biscayne Bay
West:	Interstate I-95

## INTRODUCTION

The subject property is also located in the central business district of the Miami Downtown Development Authority (DDA). The general boundaries for the Central Business DDA span from Interstate 95 and the Miami River on the west, east to Biscayne Bay, and from S.W./S.E. 15<sup>th</sup> Road north to N.E. 24<sup>th</sup> Street.

According to current studies, the Miami DDA area comprises the following statistics:

- DDA Area: 1.7 square miles
- 2011 Population: 71,600
- 2011 Daytime Population: 200,000
- 2016 Projected Population: 85,000
- 22,785 Residential Units Built Since 2003
- 18.6 Million Sq. Ft. of Office Space
- 6,789 Hotel Rooms

In 2010, the Miami Downtown Development Authority's (Miami DDA) board of directors voted unanimously to approve the 2025 Downtown Miami Master Plan, a 15-year roadmap for enhancing the livability and quality of life in Downtown Miami. The plan is to serve as a benchmark for encouraging investment by both the public and private sectors, with the goal of transforming Miami's urban core into the "Epicenter of the Americas."

The approved Master Plan combines new land use and planning guidelines, as well as outlines a number of proposed projects, some of which are already underway. The final plan is the culmination of existing studies, as well as a series of Miami DDA Board workshops, public forums, and stakeholder meetings designed to gain a better understanding of existing conditions and gather the best and most sustainable ideas for revitalizing Downtown Miami.

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The Master Plan outlines five core goals for Downtown Miami (bounded at the South end by SE 15th Rd. and on the North by NE 22nd St.; on the West by I-95 and on the East by Biscayne Bay):

- Enhance Downtown Miami's standing as the business and cultural epicenter of the Americas
- Leverage the City's beautiful and iconic tropical waterfront
- Elevate Downtown's grand boulevards to prominence
- Create great streets and community spaces throughout the district

In order to achieve the aforementioned goals and objectives, there economic incentives to entrepreneurs interested in local business opportunities, including the following:

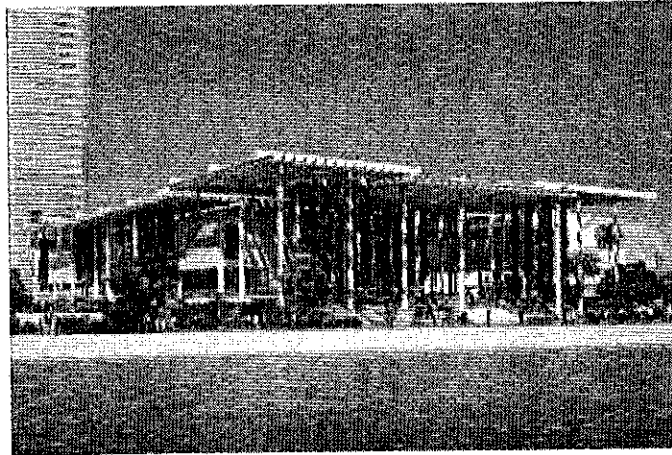
- Tenant Improvement Grant - Funded by Miami Downtown Development Authority and the Miami-Dade Empowerment Trust, this program reimburses a new tenant business up to \$23.00 per square foot for fixed interior improvements. The program is only available for existing buildings over 25 years old, excludes certain types of businesses, and requires a minimum 5-year lease. The program is available only in the Central Business District and targets the Flagler Street Corridor. Tenant and landlord apply together and applications require renderings and business plan.



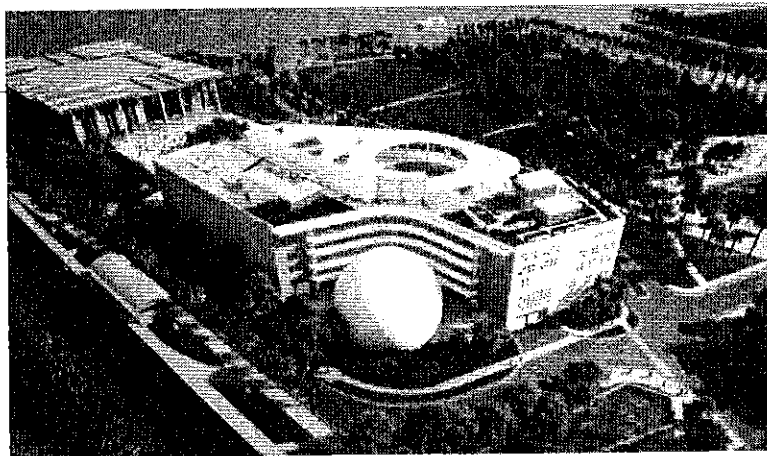
- CRA Building Rehabilitation Program - Funded by Miami's South East Overtown/Park West and Omni Community Redevelopment Agencies, this program assists properties and businesses with exterior improvements up to \$65,000.00 with a matching grant.
- New Markets Tax Credits - The New Markets Tax Credit (NMTCS) program is nationally recognized for steering low interest, private capital into distressed census tracts to capitalize hard to fund commercial and residential projects. In an effort to bring this focus on the City of Miami, the Economic Development Department created a Community Development Entity (CDE) for purposes of applying and allocating New Markets Tax Credits.
- Empowerment Zone - Miami DDA and our partners offer a range of financial incentives that encourage targeted investments in targeted areas.
- Enterprise Zone -As custodians for downtown, Miami DDA will help you navigate and understand the market potential of the various sub-districts as well as to identify investment/acquisition opportunities.
- State & Local Incentives - The Beacon Council is responsible for facilitating the application process for financial incentives companies may qualify for in the Miami-Dade County area. As Miami-Dade County's official economic development partnership, The Beacon Council has helped to secure millions of dollars for hundreds of companies over the years.

Several new and proposed projects within the Miami DDA district are highlighted as follows:

- Espacio located at 1400 Biscayne Boulevard is an existing, 150,000-SF office/retail property that has achieved 70% occupancy, and is planned for a \$412 million mixed-use redevelopment consisting of a 12-story, 103,000-SF office tower, a 55-story residential condominium tower and street level retail. Construction is reported to commence in 2013 with an estimated outside completion date by 2018.
- Perez Art Museum Miami (PAMM) located at 1075 Biscayne Boulevard and will anchor the 29-acre Museum Park (formerly Bicentennial Park) overlooking Biscayne Bay and will include gardens and sculpture installations. The programmable space is reported to be 200,000-SF, of which 120,000-SF is interior and 80,000-SF is exterior. Construction commenced in January 2011 and opened in 2014 with a total construction, endowment & transition budget of \$220 million.



- Museum Park is also the site of the Patricia & Phillip Frost Museum of Science. This 250,000 square-foot complex will be among the world's most innovative and sustainable science museums. According to Grimshaw – which received the AIA National Honor Award for its design of the Horno: Museo del Acero in Monterrey, Mexico – the Museum is intended to act as a demonstration of ecological and sustainability principles. The building will harness energy from water, sun, wind and even museum visitors to power exhibits and conserve resources.



- The Museum is structured around a lushly landscaped indoor and outdoor “living core” of terrestrial and aquatic spaces, featuring a 600,000 gallon aquarium facility, a full dome 3-D planetarium, interactive exhibits, innovative technology and two additional wings of exhibition space, learning center and cafes.
- MyBrickell located at 30 S.E. 6<sup>th</sup> Street is a 192 unit residential condominium that was recently completed by the Related Group.
- Brickell CitiCentre is the \$1.05 billion mixed-use development well underway on 9.1-acres straddling S. Miami Avenue at S.W. 7<sup>th</sup> Street and S.W. 8<sup>th</sup> Street. The project developer, Swire Properties plans include 565,000-SF of luxury retail, 800 residential

condominium units, 243 hotel rooms, 93 serviced apartments and an 110,000-SF office tower in the first phase. The site and foundation work is complete, while the vertical development is well underway and expected to be complete by the end of 2015.

- EnV at Mary Brickell Village located at 900 S.W. 1<sup>st</sup> Avenue represents the acquisition of the air rights over the mixed-use retail/entertainment center and more specifically over the Publix supermarket structured parking garage. This is a joint venture development between LYND Development & LNR Property comprising 390 residential rental apartments that is under construction with a fourth quarter 2014 estimated completion date.
- Aloft Hotel located at 1001 S.W. 2<sup>nd</sup> Avenue is a Starwood Resorts & Hotel that is under construction with 160-rooms on a 0.517-acre site and expected to be completed in 2014.
- Brickell House located at 1330 Brickell Bay Drive is a Newgard Development that is under construction with a 374-unit residential condominium that is expected to be commence construction in 2014.
- Capital Brickell Place located at 1420 S. Miami Avenue is a proposed vertical, "big box" retail center consisting of 520,000-SF of high end retail with a parking garage on 2.3 acres.

## LAND USES

Land uses within the immediate area of the subject consist primarily of urban office, retail and municipal government uses, including City of Miami Police Department, municipal Miami-Dade County government complex, including Miami-Dade County Solid Waste Management offices, structured parking garage, public library and the Metro-Dade municipal government office building, the State of Florida Department of Natural Resources, the U.S. Federal Courthouse, the U.S. Post Office, the Dade County Courthouse and various parking facilities. In addition, Miami Dade Community College has a downtown campus located at NE 3<sup>rd</sup> Street and NE 1<sup>st</sup> Avenue. This community college is operated by the Dade County Public School System and has an enrollment of +/-27,000 students.

Flagler Street is the primary east-west retail/office street in the CBD and connects the subject property to Biscayne Boulevard to the east. There are a variety of retail stores, department stores and offices fronting along Flagler Street in the CBD. Biscayne Boulevard are numerous office towers and hotel support, including the Wells Fargo Financial Center, Southeast Financial Center (FKA Wachovia Financial Center), Miami Center and Intercontinental Hotel, Bayfront Park and Bayside Shopping Center, Miami Tower (FKA Bank of America Tower at International Place), One Biscayne Tower, Sun Trust International Center office building, Courtyard Marriott, Hyatt Regency & James L. Knight Center, Metro-Dade Government, the Adrienne Arsht Performing Arts Center and various low to mid rise buildings to the west.

The most significant development in Downtown in the past few years is the master plan known as Metropolitan Miami with M.U.S.P. modification approvals allowing the construction of up to 1,500 residential units with a gross floor area of 1,950,480 square feet, 218,625 square feet of retail & entertainment retail space, 900,000 square feet of office space and 4,284 parking spaces on 5.94-acres. The total gross floor area excluding parking proposed for the entire property is 2,178,105 square feet, which indicated a total floor area ratio based upon the net site area of 8.41. The development status, as of the effective date of the appraisal, is as follows:

- Met 1, comprising 447 residential and 5 commercial condominium units has been completed with the majority of units sold-off and approximately 155 +/- units retained by the developer. The ground floor retail is anchored by Miami Chop House, a proposed Gigi restaurant and Suffolk Construction office, which is the developer's general contractor for the Metropolitan Miami project.
- Wells Fargo Center (Met 2) comprising 752,488 square feet of Class A office tower on parking garage podium with adjoining Marriott Marquis hotel component. The project was delivered in 2010. The office & hotel share a lobby with separate drop-off areas. The hotel includes 358 guest rooms, of which 310 are operated as the J.W. Marriott Marquis hotel and 48 rooms are operated as the Beaux Arts hotel. The Beaux Arts brand is a new boutique concept which is to be developed by Marriott as part of their luxury collection. The overall project plan includes 2 restaurants, 3 lounges, a coffee bar, a bistro, pool & sun deck, basketball court, bowling alley, fitness center & spa with whirlpool facilities. In addition, the property contains approximately 50,000-SF of banquet hall/meeting space and appropriate back-of-the-house facilities for a hotel of this type. The Beaux Arts portion of the property has its own reception desk, concierge and a private elevator. The office component is reportedly 43.1% leased with quoted asking rental rates at \$40.00-PSF, on a full service basis.
- Met 3 was previously approved for a 73-story residential tower over a parking garage podium that is now under construction with a 1,765-stall parking garage anchored by a 37,000-SF Whole Foods grocer and entitlements for a future 440-unit residential tower on top of the parking garage podium.
- Met Square is the under construction lifestyle/entertainment component with 120,000-SF. The development plan includes a 4-story atrium area, a SilverSpot cinema anchor tenant and a Marriott Vacation Club timeshare/residential tower.

Traveling north along Biscayne Boulevard is the Omni or newly created Media, Arts and Entertainment District, which is generally delineated as being bounded by Interstate 395 to the south, North Miami Avenue to the west, NE 20<sup>th</sup> Street to the north and Biscayne Bay to the east. This is the district in which the Performing Arts Center and the Omni are located. The area east of Biscayne Boulevard includes the former 1.07 million square foot Omni Mall which had previously been slated for redevelopment as a telecommunications facility, but that project failed. The Omni

property is a prime, high-density zoned, 11-acre site that has a 598-room hotel, nearly 700,000 square feet of retail "shell" space, a 100,000 square foot art school and approximately 3 million square feet of unused development rights. Reconstruction had already begun to convert much of the shell space to office loft space. However, more recently, the Genting Group purchased the \$161 million note on the troubled Omni Center from Miami real estate investors Jorge Perez, Jimmy Tate and Sergio Rok. The Genting Group is a Malaysian gaming company that plans to redevelop the site with a mixed-use hotel/convention center, multi-family residential, retail, restaurants, entertainment and ultimately a gaming casino in concert with the Herald Plaza site, if State law ever allows it. The deal, whose purchase price was not disclosed, gives Genting control over the entire \$206 million mortgage on the Omni, which is currently in the midst of foreclosure. Genting previously purchased the other \$45 million note which provides the Genting Group (d/b/a Resorts World Miami) with the ability to open a casino with restaurants, bars and entertainment facilities as soon as fall 2012, within months of receiving potential approval from state legislators for a gambling license. However, that timeline has been put "on-hold" indefinitely.

The Omni mortgage acquisition came on the same day Genting unveiled its \$3 billion master plan for Resorts World Miami. The mixed-use project includes plans for four hotels, two condominium towers, more than 50 restaurants and bars and a luxury retail shopping mall. The design of the 10 million-square-foot development draws inspiration from the region's coral reefs. The centerpiece is a 3.6-acre outdoor lagoon, equivalent to 12 Olympic-size swimming pools and surrounded by natural sand beaches, that would allow visitors to literally swim from Biscayne Boulevard to the edge of Biscayne Bay.

The Genting Group also acquired The Herald Plaza for \$236,000,000 this year. The site is improved with a 7-story, 604,000-SF office and a manufacturing plant with high-speed printing presses that has been the headquarters for the Miami Herald since 1963. The site features 779 linear feet of bay front with a dedicated bay walk easement, improved surface parking lots with dedications for the Metromover Station extension, a Metromover/Bus Station across the street, the Adrienne Arsht Center for the Performing Arts next door, a telecommunication easement that will likely be abandoned, and the Miami 21 zoning that permits a maximum 36-story principal building height and an 11.0 FAR plus flexibility and bonuses to as high as an 18 FAR.

Other developments in the area include Plaza Venetia complex which is a mixed-use multi-story project consisting of 328 apartments, retail space, a marina, the 606 room Biscayne Bay Marriott Hotel and Marina, Miami Herald's 600,000 SF publishing facility as well as the 1,222 unit condominium known as the Venetian Condominium.

The area west of Biscayne Boulevard in the Omni district is primarily improved with older wood frame houses, apartment houses, commercial & warehouse buildings, with the exception of the Dade County School Board administrative facilities located on NE 2<sup>nd</sup> Avenue and NE 15<sup>th</sup> Street. This area has been slated to be redeveloped into a media, arts and entertainment district, with

the lead development being the Performing Arts Center. The Performing Arts Center is located on both sides of Biscayne Boulevard at NE 13<sup>th</sup> Street and was completed in late 2006. The Performing Arts Center is home to the Concert Association of Florida, the Florida Grand Opera, the Florida Philharmonic Orchestra, Miami City Ballet and the New World Symphony and contains a 165,000 SF Ballet/Opera House with 2,480-seat auditorium and an 116,000 SF symphony/concert hall with 2,200-seat theater. The surrounding areas are proposed for the development of residential condos, production studios and media/entertainment related facilities.

The area north of the Omni and along the Biscayne Boulevard corridor, particularly the eastern side, is currently in an upward stage of growth and development/redevelopment with a number of mid and high-rise multi-family developments are currently being constructed and/or proposed for development.

### **MIAMI WORLD CENTER**

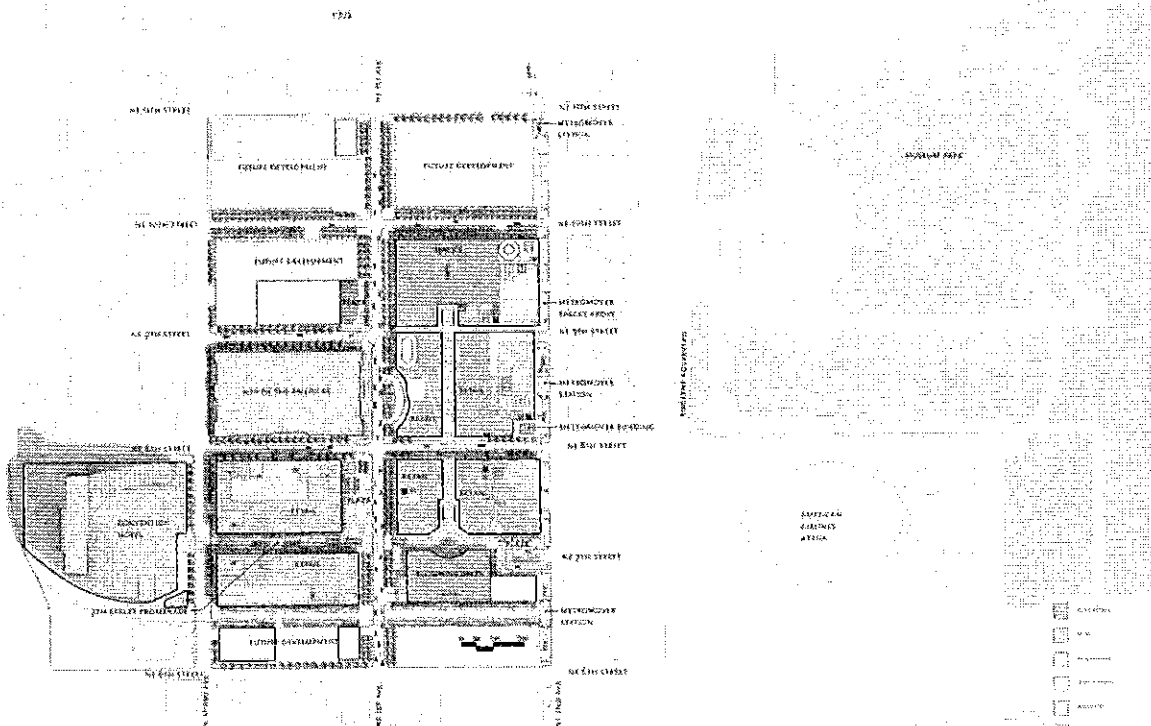
According to the Miami World Center Master Plan, the Miami World Center is a nine block mixed-use development immediately north of the Central Business District in downtown Miami. It is defined by NE 2nd Avenue to the east, North Miami Avenue to the west, NE 11th Street to the north, and NE 6th Street to the south.

The subject property is located immediately east and across the street from the Miami World Center tract retail portion of the master site plan illustrated as follows:

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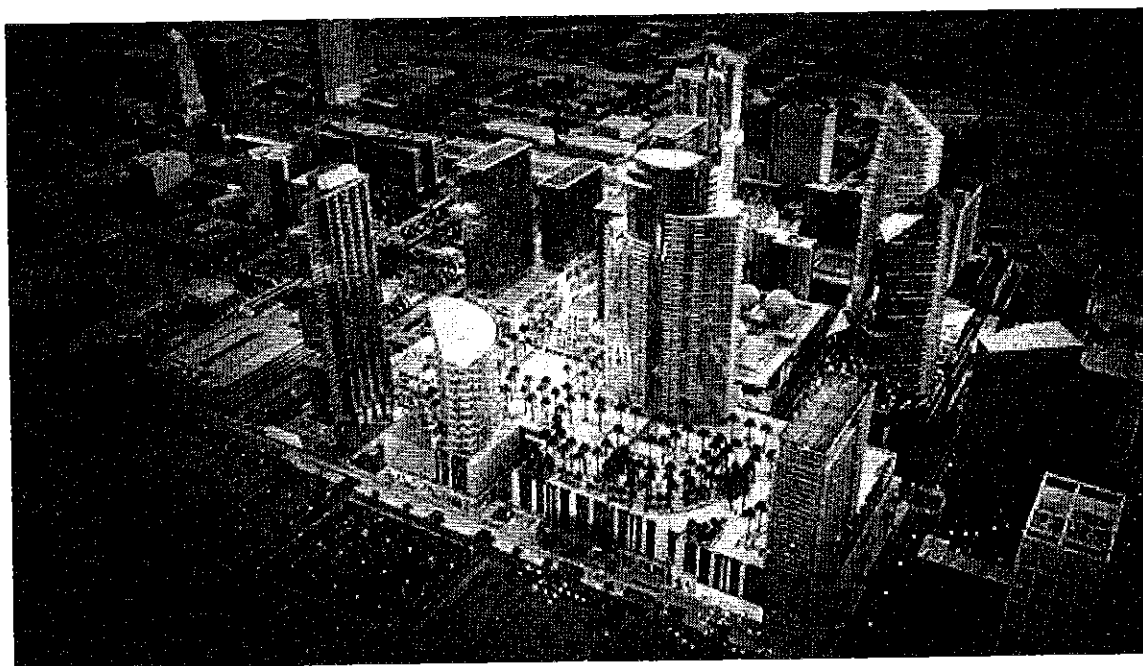


## Illustrative Site Plan



Spanning over twenty five acres, the Miami World Center includes a dynamic mix of retail, residential, office, and institutional uses. The project, which was approved in 2008 by the Miami City Commission for a total of 11 to 12 million square feet. It will create a vibrant, walkable pedestrian environment with a unique sense of place: a modern design statement driven by Miami's unique physical context, culture, and architectural heritage conceptualized in the following exhibit.





After the market turmoil and passing of the "Great Recession," the Los Angeles-based CIM Group purchased an equity stake in the Miami Worldcenter project in 2011, followed by Las Vegas Sands Corp. showing interest in the site because of the potential for resort-style gambling in downtown Miami.

## ACCESS

Regional Access to the overall subject area is provided via Interstate 95 (I-95), the Dolphin Expressway (State Road No. 836) leading into State Road No. 395, the Julia Tuttle Causeway (State Road No. 195) and Biscayne Boulevard. Interstate 95 (I-95) serves to connect the subject area with areas of northern/southern Miami-Dade County, as well as to provide access to the primary easterly/westerly expressway systems. The Dolphin Expressway (State Road No. 836) is an easterly/westerly thoroughfare providing access from areas of western Miami-Dade County, as well as the Palmetto Expressway (State Road No. 826) to the overall subject area. State Road Numbers 195 and 395 (Julia Tuttle Causeway) facilitate travel between areas of western Miami-Dade County and Miami Beach to the west and east, respectively, while Biscayne Boulevard reflects a well-traveled artery providing northerly/southerly access from S.E. 3rd Avenue to the south, to the Broward County line to the north.

Local access in the subject area is provided by Biscayne Boulevard, Brickell Avenue, and South Miami Avenue in a north/south direction, with Flagler Street, and S.W. 8<sup>th</sup> Street providing primary access in an easterly/westerly direction. Additional access to and within the Central Business District is provided by a mass transit system known as Metrorail and Metromover. Both have a station within walking distance from the subject property. The Metrorail is an elevated track train system, which extends north and west to the City of Hialeah and south to the Dadeland

area of Unincorporated Miami-Dade County. The Government Center station serves the core of the Central Business District, with the downtown Metromover emanating from the Government Center Station. The Metromover is a remote controlled elevated track vehicle system, which provides local transportation in the Central Business District. The Metromover track, which has nine stations in the Central Business District, extends southerly to SE/SW 4<sup>th</sup> Street, easterly to Biscayne Boulevard, northerly to NE/NW 5<sup>th</sup> Street and westerly to NW 2<sup>nd</sup> Avenue. An extension of the Downtown Metromover extends southerly to the Brickell Avenue area and northerly to the Omni area.

The Miami River is a restricted deep water access waterway that navigates down river to the Biscayne Bay, the Port of Miami and the Atlantic Ocean. Small pleasure boat and cargo freighters navigate the Miami River via draw bridges at Brickell Avenue, Miami Avenue, the FEC railway tracks, S.W. 2<sup>nd</sup> Avenue and S.W. 1<sup>st</sup> Street. The Interstate 95 off-ramps are fixed bridges.

Overall, regional and local access to and throughout the neighborhood is considered to be very good.

## DEMOGRAPHICS

Selected neighborhood demographics in 1-, 3-, and 5-mile radii from the subject are shown in the following table:

<b>SELECTED NEIGHBORHOOD DEMOGRAPHICS</b>			
<b>400 NE 8th Street Miami, FL</b>	<b>1 Mile Radius</b>	<b>3 Mile Radius</b>	<b>5 Mile Radius</b>
<b>Population</b>			
2019 Population	75,013	253,553	500,069
2014 Population	67,735	234,412	467,430
2010 Population	60,308	216,582	439,525
2000 Population	41,753	181,275	401,820
Annual Growth 2014 - 2019	2.06%	1.58%	1.36%
Annual Growth 2010 - 2014	2.95%	2.00%	1.55%
Annual Growth 2000 - 2010	3.75%	1.80%	0.90%
<b>Households</b>			
2019 Households	36,875	108,417	212,093
2014 Households	32,959	99,149	196,615
2010 Households	28,857	90,217	182,844
2000 Households	17,703	70,641	159,001
Annual Growth 2014 - 2019	2.27%	1.80%	1.53%
Annual Growth 2010 - 2014	3.38%	2.39%	1.83%
Annual Growth 2000 - 2010	5.01%	2.48%	1.41%
<b>Income</b>			
2014 Median HH Inc	\$33,604	\$29,549	\$31,171
2014 Estimated Average Household Income	\$59,917	\$51,902	\$53,885
2014 Estimated Per Capita Income	\$29,155	\$21,953	\$22,665
Age 25+ College Graduates - 2010	20,944	46,800	94,743
Age 25+ Percent College Graduates - 2014	39.6%	26.6%	27.3%
Source: Nielsen/Claritas			

## **GROWTH PATTERNS**

The subject neighborhood has recently undergone a substantial amount of revitalization and development/re-development, as reflected by the various properties that have recently been completed, currently under construction and/or are in the planning stages of development within the CBD and Brickell District. The majority of the projects that are under construction in the subject area typically reflect Class A, upper-end projects.

## **CONCLUSION**

The subject submarket area was previously a 9-to-5 downtown office district that was recently transformed into a modern & dynamic, 24-hour city center with numerous deliveries of new residential condominium and office towers in the past several years. Although, a majority of the residential product failed, the submarket has bottomed out in the wake of the "great" recession and high density overbuilding. The submarket is now starting to enjoy an unprecedented spike in demand for condominium units from young professionals, as renters, and affluent South Americans, as investors, as the majority of existing units fill-up with new residents.

Overall, it is our opinion that the subject neighborhood will continue to be transformed and grow into a world-class city-center as public and private developments under construction and planned are completed and the neighborhood will continue to remain a desirable area with potential for stability and appreciation over the long term.

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## Site Analysis

The following chart summarizes the salient characteristics of the subject site.

SITE SUMMARY			
<b>Physical Description</b>			
Gross Site Area	4.19 Acres	182,341 Sq. Ft.	
Net Site Area - Tract B	2.77 Acres	120,485 Sq. Ft.	
Net Site Area - Rights-of-Way	1.42 Acres	61,856 Sq. Ft.	
Primary Road Frontage	NE 8th Street	49 Feet	
Secondary Road Frontage	Heat Boulevard	611 Feet	
Additional Road Frontage	N. Bayshore Drive & Biscayne Bay	611 Feet	
Average Depth	305 Feet		
Excess Land Area	None	n/a	
Surplus Land Area	None	n/a	
Shape	Rectangular		
Topography	Level & above sea level, but below Heat Blvd.		
Zoning District	CS - Civic Space/Parks		
Flood Map Panel No. & Date	120650 0316 L	11-Sep-09	
Flood Zone	Zone AE		
Adjacent Land Uses	Commercial and residential uses		
<b>Comparative Analysis</b>		<b>Rating</b>	
Visibility		Setback from Biscayne Blvd., but excellent Biscayne Bay waterfront visibility	
Functional Utility		Assumed adequate	
Traffic Volume		Light	
Adequacy of Utilities		Assumed adequate	
Landscaping		Average	
Drainage		Assumed adequate	
<b>Utilities</b>		<b>Provider</b>	<b>Adequacy</b>
Water	City of Miami		Yes
Sewer	City of Miami		Yes
Natural Gas	Contract service		Yes
Electricity	FPL		Yes
Telephone	AT&T land lines		Yes
Mass Transit	Metrorail, Metromover, Metrobus & Tri-Rail		Yes
<b>Other</b>		<b>Yes</b>	<b>No</b>
Detrimental Easements			X
Encroachments			X
Deed Restrictions	X		
Reciprocal Parking Rights	X		
Source: Various sources compiled by CBRE			

The subject site Tract B is adequately platted, improved with a seawall and Baywalk infrastructure and is well supported by off-site infrastructure including improved road access, underground electric and water/sewer utilities and storm water drainage.

**Our site area presentation and calculations are based on the legal description provided, the recorded plat for Maritime Arena, Plat Book 154, at Page 37, as recorded in the Miami-Dade County Public Records, and a Coordinate Geometry Report (COGO) provided by the client and prepared by Miami-Dade County Public Works & Waste Management, dated August 21<sup>st</sup>, 2014. It is important to note, the COGO site area calculations provided included the baywalk area, i.e. the edge of the plat and east to the bulkhead line, but exclude the seawall, i.e. east of the bulkhead line. The baywalk square foot area is also excluded from the subject site area and analysis in order to remove the maintenance cost obligations from what is intended to be a public baywalk, while retaining a marketable benefit to any prospective user of the subject site.**

**In addition, the Bayside Center Limited Partnership remains obligated to maintain the subject site Tract B at annual cost obligation of \$15,000 per year plus annual CPI, which is currently reported to be \$18,100, while all other development rights have been relinquished.**

#### INGRESS/EGRESS

Ingress and egress is available to the site via a two improved driveways from N.E. 8<sup>th</sup> Street and North Bayshore Drive that intersect directly onto the subject site via existing and improved rights-of-way.

#### ENVIRONMENTAL ISSUES

CBRE, Inc. is not qualified to detect the existence of potentially hazardous material or underground storage tanks which may be present on or near the site. The existence of hazardous materials or underground storage tanks may affect the value of the property. For this appraisal, CBRE, Inc. has specifically assumed that the property is not affected by any hazardous materials that may be present on or near the property.

According to the original purchase agreement, dated January 8, 1998, Phase II assessments were employed and a Remediation Action Plan (RAP) was devised with an allocation of financial responsibility to both buyer and seller. Therefore, for purposes of this appraisal and our market value estimates, we assume any and all remediation has been completed and there is no concern for environmental hazards.

#### ADJACENT PROPERTIES

The adjacent land uses are summarized as follows:

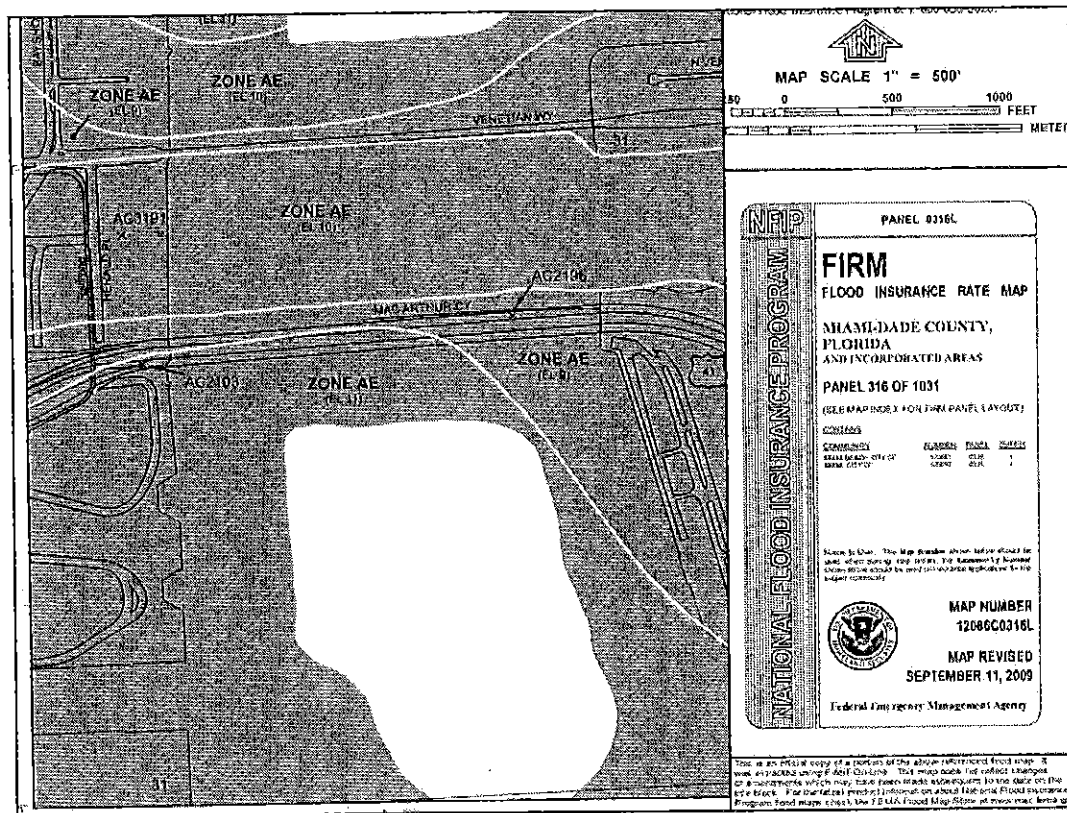
North: FEC boat slip, Bicentennial Park and Museum Park  
South: Port Boulevard and Bayside Marketplace  
East: Biscayne Bay  
West: American Airlines Arena (AAA) and Biscayne Boulevard

The adjacent properties are supportive of specialty retail, restaurant, entertainment, cultural, tourist, park & recreation and open space uses.

## CONCLUSION

The site is a point lot fronting the west bank of Biscayne Bay and bordered by the American Airlines Arena, downtown Miami CBD, Bayside Marketplace, Museum Park and the Port of Miami, which provides for a unique opportunity to develop an entertainment and/or cultural use benefitting the local community and travelling tourists.

# FLOOD PLAIN MAP





# Zoning

The following chart summarizes the subject's zoning requirements.

ZONING SUMMARY	
Zone	CS - Civic Space/Parks
Intended Use	The civic category is intended to encompass land use functions predominantly of community-oriented purposes of objectives including those of not-for-profit organizations dedicated to arts and culture, education, recreation, religion, government and the like.
Definitions	Civic space is a zone with mainly outdoor area dedicated for functioning for community purposes.
Transect Zone Description	The civic zone consists of public use space and facilities that may contrast in use to their surroundings while reflecting adjacent setbacks and landscape.
Permitted Uses;	
Allowed by Right	Marina
Allowed by Warrant	Food service establishment, open air retail, community facility, recreational facility, religious
Allowed by Exception	General commercial and educational learning center
Category	Zoning Requirement
Specific to Civic Space Zones	Development in a Civic Space Zone should have a minimum 50% of it's perimeter fronting a thoroughfare. Civic Space sites shall be entered directly from a thoroughfare.  1 or more buildings may be built in each Civic Space. Building Floor area shall not exceed 25% of the lot area of the Civic Space, and shall support the principal use of the Civic Space.  Buildings shall conform to regulations of the most restrictive abutting Transect Zone, except as shown by the City of Miami's Parks and Public Spaces Master Plan. Other adjustments to the regulations shall be approved by process of Exception.  All community facility and recreational facility uses shall be government owned or operated only.
Boats, Houseboat & House Barge	Occupancy of private pleasure crafts & houseboats shall not be allowed except for those specifically grandfathered and regulated by ordinance #10932, adopted October 24, 1991.
Docks & Piers	Extension docks & piers into Biscayne Bay are limited to 35 feet or up to a maximum 600 feet by Exception. Extension docks & piers into other waterways are limited to 10 feet or 10% of the width of the waterway, whichever is less.
Open Air Retail	Access to the site must be from a major thoroughfare. Distance separation of any open air retail shall be a minimum of 75 feet measured from any property within T-3, T4-R, T5-R or T6-R zone. Operation limited to weekends and legal holidays for a maximum of 3 consecutive days between the hours of 7:00 AM and 7:00 PM. Provision of paved striping stalls & parking spaces and for on-site restroom facilities.
Personal Wireless Service Facility	Subject to specific requirements
Helicopter Landing Pad	Regulated by federal & state law, and may be permitted by Warrant subject to landing & take-off for dropping off and picking up passengers & cargo, but not for fueling, repair or long term parking.  Unless used for emergency operations (police, fire & hospital) landings & take-offs are restricted to M-F 9:00 AM to 5 PM on parcels abutting T3, T4, T5-R and T6-R zones.  Ground level sites shall be located away from buildings, trees or significant terrain features to avoid possible air turbulence.  Rooftop sites shall be given priority over ground level sites in congested areas.
Vending Carts in Open Air Retail	Subject to Warrant process, vending carts are permitted within pen space including outdoor dining areas and restricted to the display of flowers, plants, shrubs, vegetables, produce, citrus and other unpackaged foods not requiring refrigeration, and arts & crafts.
Off-Street Parking;	
Commercial	3 spaces per every 1,000-SF 1 bike space for every 20 vehicle spaces Ratio can be reduced according to shared parking standard
Civic	1 space for every 5 seats of assembly uses 1 space for every 1,000-SF of exhibition or recreation space 1 space for every staff member for recreational uses 1 space for every 500-SF of building area for recreational uses 1 bike space for every 20 vehicle spaces
Educational	2 spaces for 1,000-SF of educational space 1 bike space for every 20 vehicle spaces
Source: Miami 21, As Adopted - October 2009	

## ANALYSIS AND CONCLUSIONS

According to the memorandums of conceptual studies for the Cuban Exile History Museum, dated April 14, 2008 and April 16, 2014, the City of Miami deeded 19.04 acres of land to Miami-Dade County on January 8, 1998, for the American Airlines Arena, associated structures, including the 2.76 acres of land presently known as Parcel "B." This Deed includes a Restrictive Covenant which limited the development on all of the land for a 33 year period to the following uses:

Arena - meaning a sports and entertainment complex together with:

- 37,500 sq. ft. of office space
- retail, food and beverage space within the ticket secure area inside the actual Arena.
- 30,000 sq. ft. of retail space located outside the secure ticket area
- parking, roadways, plaza and other public spaces

Specialty Entertainment - Up to 70,000 sq. ft. for retail, specialty entertainment, dining, cinema, public cultural facilities, educational facilities, museums, and visitor attractions, as well as administrative office space.

- Parking Facilities - adequate parking for the facilities built on the site, either below ground, above ground, surface or in a multi-level parking facility.
- The City of Miami Baywalk for downtown would have to be maintained.
- Any other development that is consistent with the land's zoning classification, which is currently Parks and Recreation.

The original American Airlines Arena Agreement between the County, Miami Heat Ltd. and Basketball Properties, Ltd. (BPL), dated April 29, 1997, provided for the development of the Arena, permanent and temporary retail on Parcel B, transient maritime docking facilities, a Baywalk, and open space. On December 16, 2003, via Resolution R-1446-03, the County approved Composite Amendment Eight to the American Airlines Arena (AAA) Agreements, terminating BPL's (the developer/operator of the AAA) rights and obligations under the Arena Agreements to the Parcel B Retail Complex in order for the County to utilize Parcel B for public open space purposes.

## PLANNING AND ZONING CONSIDERATIONS:

The County's Comprehensive Development Master Plan (COMP) has a written policy element devoted to Coastal Management. For the purposes of constructing a Museum on the Bay, Objectives CM-5 and CM-6 of this COMP Element would apply:

- Objective CM-5 - new development on the shoreline shall be water dependent, water related, or at a minimum should include environmentally compatible shoreline access

facilities such as walkways, piers, and viewing areas with landscaping allowing views of the water. Any new building on the water would have to consider these issues.

- Objective CM-6 directs the County to minimize user conflicts and impacts of man-made structures and activities on coastal resources.

The objectives of the Coastal Management Element of the COMP are carried out and enforced by the Biscayne Bay Shoreline Development Review Committee, which reviews projects based on the following factors:

- Trees and landscaping according to detailed criteria.
- Setback requirements from the water line based on building elevations. The proposed Museum plan showing a structure 82 feet high would require a 48.5 foot setback from the edge of the water.
- A visual corridor to Biscayne Bay must be maintained. The corridor must be at least 20% of the width of the lot (up to 100 feet max for corridor), but some credit is given for using the adjacent street as part of the corridor to the Bay.
- A side setback from the property line of at least 25 feet is required for any Structure built on the land in question.
- The Committee will also consider maintaining a walkway for the public along the edge of Biscayne Bay (Baywalk), as well as other smaller technical requirements of landscaping, parking, and building placement on the lot.
- The Committee can consider variances to the above requirements based on an overall review of the project and its effect on the Biscayne Bay Shoreline.

The property is located within the City of Miami and is therefore subject to City zoning ordinances. The current zoning for this site is PR - Parks, Recreation and Open Space. Under this zoning, major structures such as performing arts centers, museums, art galleries and exhibition space which "change the character of an existing park," shall be approved only by a Special Exception Permit or a Major Use Special Permit (MUSP).

#### **PUBLIC INPUT:**

The Project for Public Space, Inc., (PPS) a non-profit organization founded in 1975 to promote the design and management of public spaces through the use of workshops, training, community planning design review, research and other activities, led workshops in August 2004 and December 2004 on Parcel B. Parcel B was originally selected for analysis because the City of Miami had identified it as a key missing link along the Bayfront – between Bicentennial Park and the Bayside Marketplace – as well as a major opportunity site, due to its proximity to and views of the Bay, and its location at the center- point of the proposed Baywalk promenade.

As noted in the workshop reports, participants supported keeping this space well programmed but not overbuilt, with park-like features and amenities, such as shade trees, benches and seating, places to picnic or BBQ, and casual activities (pick-up soccer rather than scheduled leagues). There was interest and support for turning Parcel B into more of a neighborhood park that serves the communities that surround it - a place that is first and foremost designed for their use. In fact, the Urban Environment League, a Florida not-for-profit corporation founded in 1996 whose vision is "to promote a safe, clean, vibrant, sustainable community guided by the public's interest," while supportive of the concept of a Bay of Pigs Museum, has expressed its strong desire to have Parcel B remain a location for a waterfront park.

The current plan lacks green open space, covering 88.6% of the lot with building. The design contains a large open plaza in the middle of the museum but it is only accessible to museum visitors, not the general public visiting the site.

#### **AMERICAN AIRLINES ARENA (AAA):**

Representatives from Basketball Properties, Ltd. (operating the Arena) expressed overall support for the project but have some serious concerns which they would like addressed if the project were to move forward. They expressed serious reservations about the possibility of not having access to the water or use of the property as a staging area for acts coming to the AAA. BPL is constantly competing with other venues (particularly the Bank Atlantic Center in Broward County) which have vast parking lots and staging areas for visiting artists and Parcel B is the only area available to the AAA for this use. BPL would like to have input throughout the approval process to insure their interests are protected.

#### **CONCLUSION:**

Based on the aforementioned information, in 2008 staff has concluded that the Bay of Pigs Museum could be built on Parcel B under current zoning and deed restrictions, subject to appropriate City and County approval. Any development on the site would require addressing the AAA's requirement for an area to stage events and accommodate valet parking.

And, in 2014, staff concluded that preliminary designs of the Cuban Exile History Museum could be built on subject Tract B under current zoning, subject to securing City of Miami variances and/or waivers, subject to the Biscayne Bay Shoreline Development Review Committee, subject to County & City approvals and subject to any AAA event staging concerns and view corridors for the AAA event mezzanine area and Bong's Café.

## Tax and Assessment Data

The following summarizes the local assessor's estimate of the subject's market value, assessed value, and taxes, and does not include any furniture, fixtures or equipment. The CBRE estimated tax obligation is also shown.

<b>AD VALOREM TAX INFORMATION</b>				
Assessor's Market Value	2013	2014	Tract B Pro Forma	Tract B & ROW Pro Forma
10-3231-055-0020	\$6,654,793	\$10,871,470	\$7,500,000	\$10,000,000
Subtotal	\$6,654,793	\$10,871,470	\$7,500,000	\$10,000,000
Assessed Value @	100%	100%	100%	100%
	\$6,654,793	\$10,871,470	\$7,500,000	\$10,000,000
General Tax Rate (per \$100 A.V.)	2.312950	2.312950	2.312950	2.312950
<b>Total Taxes</b>	<b>Exempt</b>	<b>Exempt</b>	<b>\$173,471</b>	<b>\$231,295</b>
<b>Less: 4% Early Pay Discount</b>	<b>Exempt</b>	<b>Exempt</b>	<b>\$166,532</b>	<b>\$222,043</b>
Source: Assessor's Office				

It should also be noted that the subject property is exempt from real estate property taxes based on municipal government ownership. However, if the subject property were sold-off to a third party developer the exemption would be rescinded. In addition, under a ground lease scenario, the land component would remain exempt while the third party leasehold improvements would be taxable, unless a non-profit or municipal government entity developed and operated the leasehold improvements.

### CONCLUSION

Based on the foregoing information, the subject's current assessment is well supported by both its historical trend and by the comparable properties shown.

For purposes of this analysis, CBRE, Inc. assumes that all taxes are current.

## Highest and Best Use

In appraisal practice, the concept of highest and best use represents the premise upon which value is based. The four criteria the highest and best use must meet are:

- legally permissible;
- physically possible;
- financially feasible; and
- maximally productive.

The highest and best use analysis of the subject is discussed below.

### AS VACANT

#### Legally Permissible

The legally permissible uses were discussed in the Site Analysis and Zoning Sections.

#### Physically Possible

The subject Tract B is adequately served by utilities, off-site infrastructure, and has an adequate shape and size to be a developable site with or without the dedicated rights-of-way. There are no known physical reasons why the subject site would not support any legally probable development (i.e. it appears adequate for development).

Existing structures on similar sites provides additional evidence for the physical possibility of development.

#### Financially Feasible

Potential uses of the subject Tract B consist of a retail complex up to 70,000-SF of rentable square feet of permanent retail space and attendant service facilities; carts, kiosks and other retail/food merchandising units which are semi-permanent in nature and event carts present outside the ticket secure zone on the entire site, excluding the roadways; facilities for transient maritime docking along the eastern seawall; a Baywalk; open space and construction of a pedestrian bridge.

As a test for reasonable of financial feasibility of the aforementioned retail complex, we have performed a Land Residual Analysis in order to value the subject site via the Income Approach.

In order to develop the Land Residual Analysis, we have surveyed retail and restaurant properties and uses from within the downtown Miami CBD and Brickell Financial submarkets, as presented in the following tables:

SUMMARY OF COMPARABLE RETAIL RENTALS											
Comp. No.	Property Name and Location	Year Built	Occ.	Quoted Rental Rate	Expense Basis	Pass Thru/ Stop Amt.	Tenant Name	Lease Area (SF)	Lease Date	Lease Term	Base Rent
1	Paramount Bay - Ground Retail and Office 2066 Biscayne Boulevard, Miami, FL	2010	0%	\$45.00 PSF	NNN & Gross	\$10.00	Quoted	---	---	---	\$45.00 PSF
2	Cite - Ground Level Retail 2001 Biscayne Boulevard, Miami, FL	2004	95%	\$50.00 PSF	Triple Net	\$13.63	Quoted	---	---	---	\$50.00 PSF
3	18 Biscayne 1776 Biscayne Boulevard, Miami, FL	2012	100%	\$45.00 PSF	NNN	\$8.50	Hair Cutlery Best Buy Mobile Publix Publix Liquors Quoted	1,148 1,077 49,204 1,460 ---	Jul-12 Jun-12 Mar-12 Mar-12 ---	5.0 Yrs. 5.0 Yrs. 20.0 Yrs. 5.0 Yrs. ---	\$45.00 PSF \$49.75 PSF \$33.49 PSF \$30.00 PSF \$45.00 PSF
4	Ten Museum Park 1040 Biscayne Boulevard, Miami, FL	2007	48%	\$50.00 PSF	Triple net	\$21.00	CAD International Majestic Properties Quoted	2,500 700 ---	Mar-14 May-13 ---	3.0 Yrs. 7.0 Yrs. ---	\$30.00 PSF \$50.00 PSF \$50.00 PSF
5	900 Biscayne Bay 900 Biscayne Boulevard, Miami, FL	2008	42%	\$45.00 PSF	Modified Gross	\$10.00	Quoted	---	---	---	\$45.00 PSF
6	Vizcayne 244 Biscayne Boulevard, Miami, FL	2008	64%	\$35.00 PSF	Triple net	N/A	Quoted	---	---	---	\$35.00 PSF
7	Met 1 - Retail/Office 300 S. Biscayne Boulevard, Miami, FL	2008	65%	\$50.00 PSF	Triple net	\$5.00	Quoted	---	---	---	\$50.00 PSF
8	MetSquare 300 S.E. 3rd Street, Miami, FL	2015	67%	\$80.00 PSF	Triple net	\$7.98	Silverspot Cinema Quoted	76,237 ---	Jun-15 ---	10.0 Yrs. ---	\$25.00 PSF \$80.00 PSF
Subj.	Maritime Arena Plat, Tract B 400 N.E. 8th Street, Miami, Florida	Proposed	---	---	---	---	---	---	---	---	---
Compiled by CBRE											

And, comparable restaurant leases and availability as follows:

SUMMARY OF COMPARABLE RETAIL & RESTAURANT LEASE COMPARABLES								
No.	Name/Location	Building Area-SF	Lease Start Date	Base Rent	Expense Basis	Lease Term	Escalations	TI Allowance
1	Hannya 1060 Brickell Avenue, Miami	3,194 (1st Floor with patio)	07/01/2014	\$60.00	NNN	16 years	5% annually	As Is, no TI
2	The Shoppes at Civica - Food Court 1050 N.W. 14th Street, Miami	5,087 (2-Stories)	05/09/2013	\$129.54	NNN	10 years	10% in Year 6	\$216-PSF
3	Met One Retail 300 S. Biscayne Blvd., Miami	7,644 (1st Floor + patio)	Listing	\$80.00 (Asking)	NNN	10 years	3.0% annually	\$80-PSF
4	Milliecento Retail 1100 South Miami Avenue, Miami	8,741 (+ Mezz & Patio)	Listing (2014 Delivery)	\$90.00 (Asking)	NNN	10 years 2, 5 yr. options	3.0% annually	Grey shell
5	Axis Retail 1111 S.W. 1st Avenue, Miami	13,700 (+ 4,000-SF Mezz.)	Listing	\$50.00 (Asking)	NNN	10 years	3.0% annually	2nd generation night club/restaurant
6	900 Biscayne Bay 900 Biscayne Boulevard, Miami	15,000	Listing	\$55.00 (Asking)	NNN	Negotiable	Negotiable	Grey shell
7	MetSquare 300 S.E. 3rd Street, Miami	37,271	Listing	\$69.00 (1st & 2nd Fl. Average)	NNN	15 years	2.5% annually	\$100-PSF
Compiled by CBRE								

We have also summarized several comparable sales necessary for our Land Residual calculation and analysis whereby price per square foot and overall capitalization rates can be extracted from the submarket area and presented in the following table:

SUMMARY OF COMPARABLE RETAIL SALES & OVERALL CAPITALIZATION RATE CASE STUDIES										
No.	Name	Transaction Type	Date	Year Built	Actual Sale Price	Adjusted Sale Price <sup>1</sup>	Price Per SF <sup>1</sup>	Occ.	NOI Per SF	OAR
1	The Arena Shops, 14730-14776 Biscayne Boulevard, North Miami Beach, FL	Sale	Jun-12	1993	\$25,000,000	\$25,000,000	\$653.59	93%	\$40.52	6.20%
2	Puma, 820 Collins Avenue, Miami Beach, FL	Sale	Jun-12	1937	\$5,500,000	\$5,500,000	\$585.17	60%	\$24.89	4.25%
3	Flagler First - Retail Condo, 101 E. Flagler Street, Miami, FL	Sale	Nov-12	1923	\$2,525,000	\$2,525,000	\$422.81	100%	\$27.63	6.53%
4	55 Miracle Mile, 55 Miracle Mile, Coral Gables, FL	Sale	Oct-13	2004	\$26,750,000	\$26,750,000	\$410.07	91%	\$28.06	6.84%
5	BB&T Bank Center , 1200 Brickell Avenue, Miami, FL	Sale	Mar-14	1986	\$14,800,000	\$14,800,000	\$538.44	100%	\$33.15	6.16%
6	Cite on the Bay Commercial Condos, 2001 Biscayne Boulevard, Miami, FL	Contract	Aug-14	2004	\$10,000,000	\$10,000,000	\$558.75	95%	\$29.88	5.35%

<sup>1</sup> Adjusted sale price for cash equivalency, lease-up and/or deferred maintenance (where applicable)  
Compiled by CBRE

Once we have extracted and presented the comparable market rental and comparable sale data, we have estimated the value of the subject site via the Income Approach and Land Residual Method of the subject Tract B (excluding any rights-of-way), as follows:



**LAND RESIDUAL ANALYSIS - MARITIME ARENA PLAT, TRACT B****Project Data**

Project Type:	Land	
Site Size:	120,485 SF	2.766 Acs.
Building Area Component:	Net	
Retail Space	35,000 SF	(1st & 2nd floor)
Restaurant Space	35,000 SF	(1st & 2nd floor with patio/terrace seating)
Total Building Area:	70,000 SF	
Indicated FAR:	1.72	

**Economic Projections (Net SF Basis)**

Average Rent Estimate	(Annual \$/SF)	
Retail Space	\$45.00	
Restaurant Space	\$65.00	
Specialty Cart & Kiosks	\$0.65	
Average Rent	\$55.00	
Potential Gross Income (PGI)	\$ 55.00	
Vacancy & Credit Loss	5.0%	\$ (2.75)
Effective Gross Income (EGI)	\$ 52.25	
Operating Expenses	\$ (12.00)	
Net Operating Income (NOI)	\$ 40.25	
Overall Capitalization Rate (OAR)	+	6.50%
Indicated Value PSF	\$ 619.23	
Conversion to Gross SF Basis:	x	1.0000
		<b>Totals</b>

**Economic Projections (Gross SF Equivalent)**

\$	619.23	\$43,346,100
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**Development Costs**

	Gross SF	
Estimated Construction Costs (\$/SF)	\$385.00	
Entrepreneurial Profit	35.0%	
Total		\$ (519.75)

**Residual Land Value (\$/SF of GBA)**

\$	99.48	\$ 6,963,600
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**Residual Land Value (\$/SF of Site)**

\$	57.80	\$ 6,963,600
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**Rounded to**

\$	7,000,000
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Compiled by CBRE

The above calculation and Land Residual Analysis would support a retail/restaurant complex consistent with the deed restrictions and covenants encumbering the subject property.

Alternative uses include cultural facilities, museums and public spaces, including parks and recreation uses. However, these alternative uses may not produce sufficient revenue to support the estimate of land value via Land Residual.

**Maximally Productive - Conclusion**

The final test of highest and best use of the site as if vacant is that the use be maximally productive, yielding the highest return to the land.

As presented in financial feasibility, the retail/restaurant could be one of the more productive uses based on permitted and restricted uses. In addition, we have also been asked to consider the hypothetical market value based on the highest & best use of Tract B with and without the dedicated rights-of-way and assuming no restrictions and being able to adequately re-zone

and/or re-plat the site, including the dedicated rights-of-way, necessary to achieve the maximum highest & best use of the subject property.

At present, the submarket development cycle is in another high density, residential tower and mixed-use tower booming growth cycle. Therefore, we have presented the most recent and comparable high density land transactions that have occurred within the immediate submarket area, presented as follows:

SUMMARY OF COMPARABLE LAND SALES - HYPOTHETICAL WITHOUT RESTRICTION OF USE											
No.	Property Location	Transaction Type	Date	Proposed Use	Actual Sale Price	Size (Acres)	Allowable Units	Allowable Bldg. Area (SF)	Indicated FAR	Price Per SF	Price Per SF (FAR)
1	1451 Brickell Ave., Miami, FL	Sale	Jul-13	High-rise residential tower	\$25,000,000	0.59	180 Units	426,786 SF	16.43	\$962.43	\$58.58
2	440 Brickell Ave., Miami, FL	Sale	Dec-13	Mixed-use	\$104,000,000	3.90	1,950 Units	2,544,226 SF	14.98	\$612.18	\$40.88
3	300 Biscayne Blvd. Way, Miami, FL	Sale	Jul-14	TBD	\$125,000,000	1.25	1,250 Units	1,306,800 SF	24.00	\$2,295.68	\$95.65
4	1000 Biscayne Blvd., Miami, FL	Sale	Aug-14	Luxury residential condo tower	\$36,000,000	0.83	83 Units	489,242 SF	13.51	\$994.48	\$73.58
Subj.	400 N.E. 8th Street, Miami, Florida	---	---	Hypothetical high-rise zoning	---	2.77					
Subj.	400 N.E. 8th Street, Miami, Florida	---	---	Hypothetical high-rise zoning	---	4.19	---	---	---	---	---

<sup>1</sup> Adjusted sale price for cash equivalency and/or development costs (where applicable)

Compiled by CBRE

Based on the preceding market comparable sales and the potential highest & best use considering the subject property Biscayne Bay frontage, a price per square foot of net site area for Tract B and a price per square foot of potential building area/FAR within the overall value indicator range presented, would be most appropriate for valuing the subject property, As If available to be put to the highest & best use without zoning or plat restrictions and assuming a potential buildout to an average 0.15 FAR, calculated as follows:

HYPOTHETICAL LAND VALUE - TRACT B				
\$ PSF of Site		Site SF	Total	
\$800.00	x	120,485	=	\$96,388,000
\$1,000.00	x	120,485	=	\$120,485,000
\$ PSF of GBA/FAR		15.0 FAR /SF	Total	
\$50.00	x	1,807,275	=	\$90,363,750
\$60.00	x	1,807,275	=	\$108,436,500
Indicated Value:			\$100,000,000	
(Rounded \$ PSF)			\$829.98	
Compiled by CBRE				

We have also considered the highest & best use of the subject site Tract B including the dedicated rights-of-way. However, because of the larger size of the total site area and high density FAR, a size/value discount would be warranted. Therefore, the hypothetical value of Tract B including the

dedicated rights-of-way, As If available to be put to the highest & best use without zoning or plat restrictions and assuming a potential buildout to an average 0.15 FAR, calculated as follows:

<b>HYPOTHETICAL LAND VALUE - TRACT B &amp; ROW</b>			
<b>\$ PSF</b>		<b>Subject SF</b>	<b>Total</b>
\$600.00	x	182,341	= \$109,404,762
\$800.00	x	182,341	= \$145,873,016
<b>\$ PSF of GBA/FAR</b>		<b>15.0 FAR /SF</b>	<b>Total</b>
\$40.00	x	2,735,119	= \$109,404,762
\$50.00	x	2,735,119	= \$136,755,953
<b>Indicated Value:</b>			<b>\$120,000,000</b>
		<b>(Rounded \$ PSF)</b>	<b>\$658.11</b>
Compiled by CBRE			

Based on the foregoing presentations As If unrestricted, the maximum highest and best use of the subject Tract B with or without the dedicated rights-of-way would be a high density, high-rise residential tower with mixed-use retail and restaurant uses plus transient dockage, a Baywalk, open space and public park elements and amenities.

Finally, the highest and best use As Is of the subject Tract B with or without the dedicated rights-of-way would be a retail/restaurant complex up to 70,000-SF with transient dockage, a Baywalk, open space and public park elements and amenities.

## Appraisal Methodology

In appraisal practice, an approach to value is included or omitted based on its applicability to the property type being valued and the quality and quantity of information available. Depending on a specific appraisal assignment, any of the following four methods may be used to determine the market value of the fee simple interest of land:

- Sales Comparison Approach;
- Income Capitalization Procedures;
- Allocation; and
- Extraction.

The following summaries of each method are paraphrased from the text.

The first is the sales comparison approach. This is a process of analyzing sales of similar, recently sold parcels in order to derive an indication of the most probable sales price (or value) of the property being appraised. The reliability of this approach is dependent upon (a) the availability of comparable sales data, (b) the verification of the sales data regarding size, price, terms of sale, etc., (c) the degree of comparability or extent of adjustment necessary for differences between the subject and the comparables, and (d) the absence of nontypical conditions affecting the sales price. This is the primary and most reliable method used to value land (if adequate data exists).

The income capitalization procedures include three methods: land residual technique, ground rent capitalization, and Subdivision Development Analysis. A discussion of each of these three techniques is presented in the following paragraphs.

The land residual method may be used to estimate land value when sales data on similar parcels of vacant land are lacking. This technique is based on the principle of balance and the related concept of contribution, which are concerned with equilibrium among the agents of production--i.e. labor, capital, coordination, and land. The land residual technique can be used to estimate land value when: 1) building value is known or can be accurately estimated, 2) stabilized, annual net operating income to the property is known or estimable, and 3) both building and land capitalization rates can be extracted from the market. Building value can be estimated for new or proposed buildings that represent the highest and best use of the property and have not yet incurred physical deterioration or functional obsolescence.

The subdivision development method is used to value land when subdivision and development represent the highest and best use of the appraised parcel. In this method, an appraiser determines the number and size of lots that can be created from the appraised land physically, legally, and economically. The value of the underlying land is then estimated through a discounted cash flow analysis with revenues based on the achievable sale price of the finished product and expenses based on all costs required to complete and sell the finished product.

The ground rent capitalization procedure is predicated upon the assumption that ground rents can be capitalized at an appropriate rate to indicate the market value of

a site. Ground rent is paid for the right to use and occupy the land according to the terms of the ground lease; it corresponds to the value of the landowner's interest in the land. Market-derived capitalization rates are used to convert ground rent into market value. This procedure is useful when an analysis of comparable sales of leased land indicates a range of rents and reasonable support for capitalization rates can be obtained.

The allocation method is typically used when sales are so rare that the value cannot be estimated by direct comparison. This method is based on the principle of balance and the related concept of contribution, which affirm that there is a normal or typical ratio of land value to property value for specific categories of real estate in specific locations. This ratio is generally more reliable when the subject property includes relatively new improvements. The allocation method does not produce conclusive value indications, but it can be used to establish land value when the number of vacant land sales is inadequate.

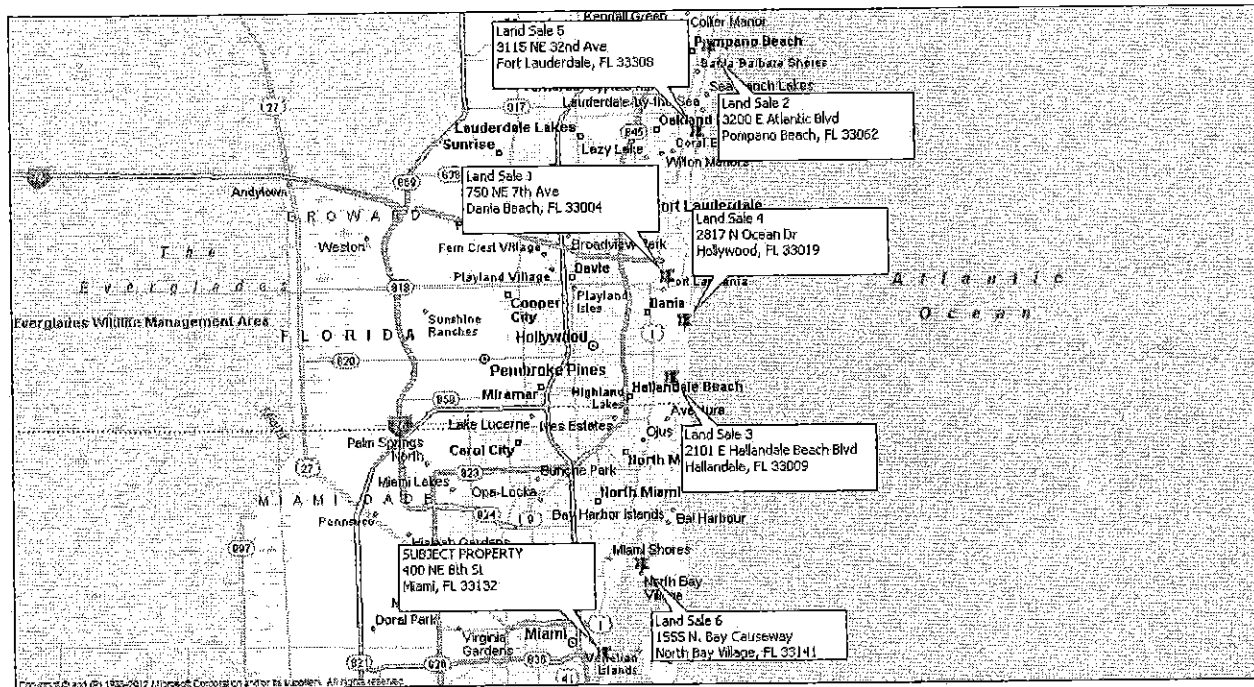
The extraction method is a variant of the allocation method in which land value is extracted from the sale price of an improved property by deducting the contribution of the improvements, which is estimated from their depreciated costs. The remaining value represents the value of the land. Value indications derived in this way are generally unpersuasive because the assessment ratios may be unreliable and the extraction method does not reflect market considerations.

#### **METHODOLOGY APPLICABLE TO THE SUBJECT**

For the purposes of this analysis, we have utilized the sales comparison approach and the income approach via the land residual method to value the subject property As Is. We have also employed the income approach in order to develop a market rent As Is for the subject property Tract B with and without the dedicated rights-of-way, as well as, the daily fair market rent (FMR) for valet parking, events and staging purposes.

## Land Value – Maritime Arena Plat, Tract B

The following map and table summarize the comparable data used in the valuation of the subject site. A detailed description of each transaction is included in the addenda.



SUMMARY OF COMPARABLE LAND SALES - MARITIME ARENA PLAT, TRACT B									
No.	Property Location	Transaction Type	Date	Proposed Use	Actual Sale Price	Adjusted Sale Price <sup>1</sup>	Size (Acres)	Size (SF)	Price Per SF
1	750 N.E. 7th Avenue, Dania Beach, FL	Sale	Apr-11	Shipping terminal	\$7,900,000	\$9,825,000	3.45	150,282	\$65.38
2	3200 E. Atlantic Boulevard, Pompano Beach, FL	Sale	Nov-11	Residential condominium	\$5,400,000	\$5,400,000	2.05	89,449	\$60.37
3	2101 E. Hallandale Beach Boulevard, Hallandale Beach, FL	Sale	Jul-12	Retail pharmacy store	\$5,900,000	\$5,900,000	2.36	102,932	\$57.32
4	2817 N Ocean Drive, Hollywood, FL	Sale	Jul-12	Townhome	\$1,600,000	\$1,600,000	0.84	36,590	\$43.73
5	3115 N.E. 32nd Avenue, Fort Lauderdale, FL	Sale	Sep-12	Sit down restaurant with outdoor seating	\$3,350,000	\$3,350,000	1.74	75,882	\$44.15
6	1555 N. Bay Causeway, North Bay Village, FL	Sale	Mar-13	Residential condominium	\$7,575,000	\$7,575,000	1.92	83,701	\$90.50
Subj.	400 N.E. 8th Street, Miami, Florida	---	---	Mixed-use retail/restaurant plaza with transient dockage, Baywalk, open space & public park elements	---	---	2.77	120,485	---

<sup>1</sup> Adjusted sale price for cash equivalency and/or development costs (where applicable)

Compiled by CBRE

The sales utilized represent the best data available for comparison with the subject and were selected from the greater Miami area and comparable deep water Biscayne Bay and Intracoastal Waterway communities in South Florida. These sales were chosen based upon physical, legal (zoning & plat restrictions) and economic characteristics.

## DISCUSSION/ANALYSIS OF LAND SALES

### Land Sale One

This comparable sale comprises a 5.682-acre (247,498 sq. ft.) shipping terminal site located at 750 N.E. 7th Avenue in Dania Beach. The site area contains 3.45 acres of uplands; 1.46 acres of submerged port basin; and 0.77-acres of submerged, deepwater canal right-of-way with unrestricted access to the Intracoastal Waterway and ultimately to the Port Everglades inlet. The property improvements include a wharf with concrete cap, tire fenders, bollards, a barge slip, asphalt paving, a truckwell, bulk oil trough, chain link fence with 3-strand barb wire & rolling gate, precast light poles with camera mounts & dual light fixtures, a wharf side power pedestal with 480/208 electric service, and fire hose station. The port basin is reportedly 9 to 15 deep during normal tidal conditions. The sale transaction is an unrecorded company stock transfer reported at \$7.9 million, "all cash" plus the buyer is spent \$1,925,000 on engineering & construction costs for bulkhead replacement, new crane pad, submerged sheet pile repair, structural backfill, terminal ramp and resurfacing.

We have adjusted Sale 1 upwards for improving market conditions between the date of sale and our effective date of this appraisal. We have also adjusted Sale 1 upwards for larger size/value relationship, upwards for inferior deep water frontage/view amenity and downwards for superior zoning and land use when compared to the subject property As Is.

### Land Sale Two

This comparable land sale is a three part assemblage comprising obsolete restaurants and stores dating to 1958 & 1960 that front East Atlantic Boulevard and Hibiscus Avenue, an obsolete convenience store identified as "The Corner Store" fronting Hibiscus Avenue, and, a vacant tract on the west side of Riverside Drive and fronting the Intracoastal Waterway. The existing tenant base includes well known Coastal Cafe, The Side Pocket Pub, Jesse's, Spanky's and a dinette showroom.

The buyer is a Canadian based developer who has not yet submitted a site plan. The underlying zoning is General Business and Planned Commercial Business, and the property is located within the Pompano Beach Eastern CRA, whereby streetscapes, sidewalk widening, enhanced landscaping and building facade grants are underway.

We have adjusted Sale 2 upwards for improving market conditions between the date of sale and our effective date of this appraisal. We have also adjusted Sale 2 downwards for smaller size/value relationship when compared to the subject property As Is.

### Land Sale Three

This comparable land sale was acquired for the express purpose of developing a CVS pharmacy with drive through. The property was broker listed at \$7,000,000 for about 10 months under the direction of a court appointed receiver. The site is platted and was previously entitled with a City of Hallandale Beach development agreement for a mixed-use high-rise building comprising 118

residential units, 170 condominium hotel units, 16,234-SF of accessory hotel uses, 5,634-SF of retail space, 91,032-SF of office space, 12,208-SF of bank space and 25,604-SF of gym space in a project identified as the European Club. The development agreement was conditioned upon off-site obligations including funding & installing a telephone drop, a fiber optic signal interconnect link, a video detection system upgrade at Seawall Pointe, Three Islands Blvd., & AIA, a sewer lift station, median relocation, \$275,000 towards fire station improvements, and/or contributions to the City's trust fund, affordable housing fund or the City's transportation fund. However, some of these obligations no longer apply.

The site location along East Hallandale Beach Boulevard is wedged between the Diplomat golf course community to the west and the Three Islands community to the northeast. The site backs up to the Desoto waterway, which is a restricted deep water access canal that leads to the Intracoastal Waterway.

Prior sale history reported in December 1986 at \$5,110,820; March 1989 at \$4,385,000; July 2005 at \$4,650,000, and foreclosed upon prior to this recent sale in July 2010.

We have adjusted Sale 3 upwards for improving market conditions between the date of sale and our effective date of this appraisal. We have also adjusted Sale 3 upwards for inferior deep water frontage/view amenity when compared to the subject property As Is.

#### Land Sale Four

This comparable is located along the Intracoastal Waterway, between Coolidge Street and Harding Street in Hollywood. Zoning allows for up to 25 units per acre, however, based on height and parking restrictions, the maximum number of allowable townhomes is 17 and the maximum number of allowable condominium units is 20. The site also allows for 10 boat slips. The original asking price was \$1,995,000; the property sold to a condominium developer for \$1,600,000, or \$80,000 per developable condominium unit. No immediate development plans were reported.

We have adjusted Sale 4 upwards for improving market conditions between the date of sale and our effective date of this appraisal. We have also adjusted Sale 4 downwards for smaller size/value relationship and upwards for inferior shape/configuration when compared to the subject property As Is.

#### Land Sale Five

This comparable land sale comprises several waterfront and dry lots along the Intracoastal Waterway under the East Oakland Park Boulevard Bridge in the Galt Ocean Mile submarket in east Fort Lauderdale. The buyer intended to build and operate a 17,000-SF sports bar & grill restaurant with outdoor seating and 17-boat slips. The property was broker listed at \$3,950,000 for almost two years prior to contract, which was subject to site plan approval. Two of the dry lots had approximately 4,000-SF +/- of obsolete commercial buildings that will be demolished. The waterfront lots are subdivided from the dry lots by N.E. 32nd Avenue, and the dry lots will be



used for valet parking support. There was also a one off lot that was part of the overall purchase and was swapped with the City to improve fire station grading issues.

The buyer also executed a modification of ownership change for the submerged land lease for 14,000-SF with the Board of Trustees of the Internal Improvement Trust Fund of the State of Florida. The annual rent is a nominal \$2,247.72 and permits 17-slips. It should also be noted, the buyer executed a Brownfield agreement with the City of Fort Lauderdale, which encourages redevelopment and job creation with some economic incentives to the property owner/developer.

We have adjusted Sale 5 upwards for improving market conditions between the date of sale and our effective date of this appraisal. We have also adjusted Sale 5 downwards for smaller size/value relationship, upwards for inferior shape/configuration and upwards for inferior topography/site conditions when compared to the subject property As Is.

#### Land Sale Six

This comparable is a 1.92 acre site located on the north side of the 79th Street Causeway in North Bay Village, Miami-Dade County, Florida. This site is improved with a local non-credit seafood restaurant whose lease expires in June 2013. This site has bay frontage with deep water access and unrestricted water views. The property is comprised of two-lots. One lot is zoned GC, General Commercial and the other is zoning RM-70, High Density Residential. Both zoning classifications allow 72du/acre of 1 bed or 64 du/acre of 2 beds. However, the lot zoned GC also requires street-level retail of at least 50% of the existing use (+/- 4,320 SF). The property was purchased for future development of a mixed-use condominium project. Additional details were requested but not available due to client confidentiality.

We have adjusted Sale 6 upwards for improving market conditions between the date of sale and our effective date of this appraisal. We have also adjusted Sale 6 downwards for smaller size/value relationship and downwards for superior zoning/density when compared to the subject property As Is.

#### SUMMARY OF ADJUSTMENTS

Based on our comparative analysis, the following chart summarizes the adjustments warranted to each comparable.

## LAND SALES ADJUSTMENT GRID - MARITIME ARENA PLAT, TRACT B

Comparable Number	1	2	3	4	5	6	Subject
Transaction Type	Sale	Sale	Sale	Sale	Sale	Sale	---
Transaction Date	Apr-11	Nov-11	Jul-12	Jul-12	Sep-12	Mar-13	---
Proposed Use	Shipping terminal	Residential condominium	Retail pharmacy store	Townhome	Sit down restaurant with outdoor seating	Residential condominium	Mixed-use retail/restaurant plaza with transient dockage, Baywalk, open space & public park elements
Actual Sale Price	\$7,900,000	\$5,400,000	\$5,900,000	\$1,600,000	\$3,350,000	\$7,575,000	---
Adjusted Sale Price <sup>1</sup>	\$9,825,000	\$5,400,000	\$5,900,000	\$1,600,000	\$3,350,000	\$7,575,000	---
Size (Acres)	3.45	2.05	2.36	0.84	1.74	1.92	2.77
Size (SF)	150,282	89,449	102,932	36,590	75,882	83,701	120,485
Price Per SF	\$65.38	\$60.37	\$57.32	\$43.73	\$44.15	\$90.50	---
Price (\$ PSF)	\$65.38	\$60.37	\$57.32	\$43.73	\$44.15	\$90.50	
Property Rights Conveyed	0%	0%	0%	0%	0%	0%	
Financing Terms <sup>1</sup>	0%	0%	0%	0%	0%	0%	
Conditions of Sale	0%	0%	0%	0%	0%	0%	
Market Conditions (Time)	30%	30%	20%	20%	20%	10%	
Subtotal	\$84.99	\$78.48	\$68.78	\$52.47	\$52.98	\$99.55	
Size	5%	-5%	0%	-10%	-5%	-5%	
Shape	0%	0%	0%	25%	10%	0%	
Corner	0%	0%	0%	0%	0%	0%	
Water Frontage	10%	0%	10%	0%	0%	0%	
Topography	0%	0%	0%	0%	5%	0%	
Location	0%	0%	0%	0%	0%	0%	
Zoning/Density	-30%	0%	0%	0%	0%	-20%	
Utilities	0%	0%	0%	0%	0%	0%	
Highest & Best Use	0%	0%	0%	0%	0%	0%	
Total Other Adjustments	-15%	-5%	10%	15%	10%	-25%	
Value Indication for Subject	\$72.24	\$74.56	\$75.66	\$60.34	\$58.28	\$74.66	

<sup>1</sup> Adjusted sale price for cash equivalency and/or development costs (where applicable)

Compiled by CBRE

## CONCLUSION

Based on the preceding analysis, Comparables 2 & 5 were the most representative of the subject site As Is, and warranted greatest consideration because physical and legal/zoning characteristics. In conclusion, a price per square foot of site area within the overall unadjusted range and within the mid-to-upper end of the adjusted value indicator range was most appropriate for valuing the subject Tract B As Is. The following table presents the valuation conclusion:

CONCLUDED LAND VALUE - TRACT B					
\$ PSF		Subject SF		Total	
\$60.00	x	120,485	=	\$7,229,100	
\$75.00	x	120,485	=	\$9,036,375	
Indicated Value:				\$8,000,000	
				(Rounded \$ PSF)	\$66.40
Compiled by CBRE					

## Land Value – Tract B & Dedicated Rights-of-Way

The following presentation and analysis mirrors the preceding section.

ME ARENA PLAT, TRACT B & DEDICATED RIGHTS-OF-WAY									
No.	Property Location	Transaction		Proposed Use	Actual Sale Price	Adjusted Sale Price <sup>1</sup>	Size (Acres)	Size (SF)	Price Per SF
		Type	Date						
1	750 N.E. 7th Avenue, Dania Beach, FL	Sale	Apr-11	Shipping terminal	\$7,900,000	\$9,825,000	3.45	150,282	\$65.38
2	3200 E. Atlantic Boulevard, Pompano Beach, FL	Sale	Nov-11	Residential condominium	\$5,400,000	\$5,400,000	2.05	89,449	\$60.37
3	2101 E. Hallandale Beach Boulevard, Hallandale Beach, FL	Sale	Jul-12	Retail pharmacy store	\$5,900,000	\$5,900,000	2.36	102,932	\$57.32
4	2817 N Ocean Drive, Hollywood, FL	Sale	Jul-12	Townhome	\$1,600,000	\$1,600,000	0.84	36,590	\$43.73
5	3115 N.E. 32nd Avenue, Fort Lauderdale, FL	Sale	Sep-12	Sit down restaurant with outdoor seating	\$3,350,000	\$3,350,000	1.74	75,882	\$44.15
6	1555 N. Bay Cswy, North Bay Village, FL	Sale	Mar-13	Residential condominium	\$7,575,000	\$7,575,000	1.92	83,701	\$90.50
Subj.	400 N.E. 8th Street, Miami, Florida	---	---	Mixed-use retail/restaurant plaza with transient dockage, Baywalk, open space & public park elements	---	---	4.19	182,341	---

<sup>1</sup> Adjusted sale price for cash equivalency and/or development costs (where applicable)  
Compiled by CBRE

### DISCUSSION/ANALYSIS OF LAND SALES

As noted, the analysis and adjustments to the comparable sales mirrors the preceding section with the exception of the larger size/value relationships and adjustments considering the larger size of Tract B including the dedicated rights-of-way.

### SUMMARY OF ADJUSTMENTS

Based on our comparative analysis, the following chart summarizes the adjustments warranted to each comparable.

## LAND SALES ADJUSTMENT GRID - MARITIME PLAT, TRACT B &amp; DEDICATED RIGHTS-OF-WAY

Comparable Number	1	2	3	4	5	6	Subject
Transaction Type	Sale	Sale	Sale	Sale	Sale	Sale	---
Transaction Date	Apr-11	Nov-11	Jul-12	Jul-12	Sep-12	Mar-13	---
Proposed Use	Shipping terminal	Residential condominium	Retail pharmacy store	Townhome	Sit down restaurant with outdoor seating	Residential condominium	Mixed-use retail/restaurant plaza with transient dockage, Baywalk, open space & public park elements
Actual Sale Price	\$7,900,000	\$5,400,000	\$5,900,000	\$1,600,000	\$3,350,000	\$7,575,000	---
Adjusted Sale Price <sup>1</sup>	\$9,825,000	\$5,400,000	\$5,900,000	\$1,600,000	\$3,350,000	\$7,575,000	---
Size (Acres)	3.45	2.05	2.36	0.84	1.74	1.92	4.19
Size (SF)	150,282	89,449	102,932	36,590	75,882	83,701	182,341
Price Per SF	\$65.38	\$60.37	\$57.32	\$43.73	\$44.15	\$90.50	---
Price (\$ PSF)	\$65.38	\$60.37	\$57.32	\$43.73	\$44.15	\$90.50	
Property Rights Conveyed	0%	0%	0%	0%	0%	0%	
Financing Terms <sup>1</sup>	0%	0%	0%	0%	0%	0%	
Conditions of Sale	0%	0%	0%	0%	0%	0%	
Market Conditions	30%	30%	20%	20%	20%	10%	
Subtotal	\$84.99	\$78.48	\$68.78	\$52.47	\$52.98	\$99.55	
Size	0%	-10%	-10%	-25%	-15%	-15%	
Shape	0%	0%	0%	25%	10%	0%	
Corner	0%	0%	0%	0%	0%	0%	
Frontage	10%	0%	10%	0%	0%	0%	
Topography	0%	0%	0%	0%	5%	0%	
Location	0%	0%	0%	0%	0%	0%	
Zoning/Density	-30%	0%	0%	0%	0%	-20%	
Utilities	0%	0%	0%	0%	0%	0%	
Highest & Best Use	0%	0%	0%	0%	0%	0%	
Total Other Adjustments	-20%	-10%	0%	0%	0%	-35%	
Value Indication for Subject	\$67.99	\$70.63	\$68.78	\$52.47	\$52.98	\$64.71	

<sup>1</sup> Adjusted sale price for cash equivalency and/or development costs (where applicable)

Compiled by CBRE

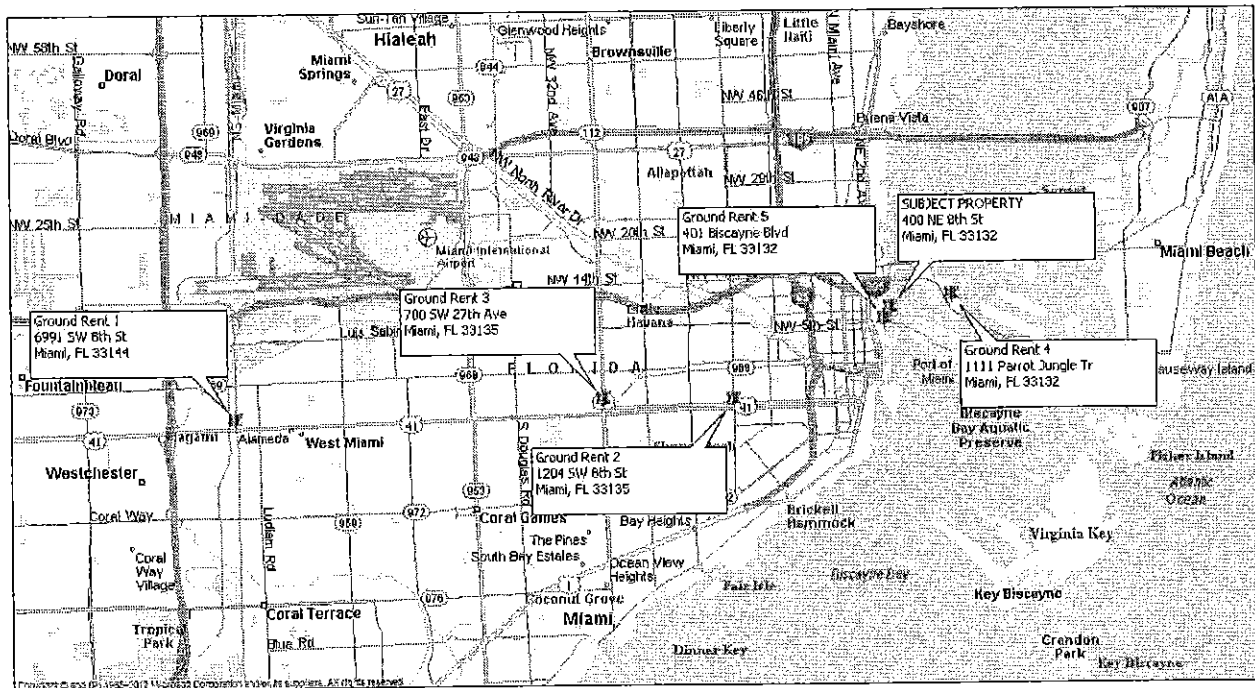
## CONCLUSION

Based on the preceding analysis, Comparables 2 & 5 were the most representative of the subject site As Is, and warranted greatest consideration because physical and legal/zoning characteristics. In conclusion, a price per square foot of site area within the overall unadjusted range and within the mid-to-upper end of the adjusted value indicator range was most appropriate for valuing the subject Tract B and the dedicated rights-of-way As Is. The following table presents the valuation conclusion:

CONCLUDED LAND VALUE - TRACT B & ROW				
\$ PSF		Subject SF		Total
\$50.00	x	182,341	=	\$9,117,064
\$65.00	x	182,341	=	\$11,852,183
Rounded:				\$10,000,000
(Rounded \$ PSF)				\$54.84
Compiled by CBRE				

## Income Approach – Ground Rent

The following map and table summarize the comparable data used in the valuation of the subject site. A detailed description of each ground lease transaction is included in the addenda.



In this section, we have estimated market rent for the subject site (ground rent) via the income approach by performing a traditional market rent survey of comparable retail, entertainment and waterfront ground lease transactions, as presented in the following table.

SUMMARY OF COMPARABLE GROUND LEASES										
Comp. No.	Property Name and Location	Type & Use	Year Built	Occ.	Expense Basis	Tenant Name	Land/ Building Area	Lease Date	Lease Term	Base Rent
1	Wal-Mart Neighborhood Market 6991 S.W. 8th Street, Miami, FL	Retail destination	2014	100%	Absolute net	Wal-Mart Neighborhood	296,644 54,137	Dec-14 Dec-14	20.0 Yrs. 20.0 Yrs.	\$1.35 PSF \$7.39 PSF
2	CVS Pharmacy 1204 S.W. 8th Street, Miami, FL	Retail convenience	2013	100%	Absolute net	CVS	95,396 14,028	Dec-11 Dec-11	25.0 Yrs. 25.0 Yrs.	\$7.54 PSF \$51.30 PSF
3	CVS Pharmacy 700 S.W. 27th Avenue, Miami, FL	Retail convenience	2014	100%	Absolute net	CVS	77,850 13,057	May-14 May-14	25.0 Yrs. 25.0 Yrs.	\$9.31 PSF \$48.18 PSF
4	Jungle Island - Ground Lease 1111 Parrot Jungle Trail, Miami, FL	Tourist attraction	2003	100%	Absolute net	Jungle Island	701,791 69,337	Oct-00 Sep-00	45.0 Yrs. 45.0 Yrs.	\$1.11 PSF \$11.20 PSF
5	Boyside Marketplace - Ground Lease 401 Biscayne Boulevard, Miami, FL	Festival marketplace & tourist attraction	1987	100%	Absolute net	Boyside Marketplace (GGP)	569,634 328,413	Aug-14 Aug-14	99.0 Yrs. 99.0 Yrs.	\$6.17 PSF \$10.70 PSF
Subj.	Maritime Arena Plot, Tract B 400 N.E. 8th Street, Miami, Florida	Mixed-use retail/restaurant plaza with transient dockage, Baywalk, open space & public park elements	Proposed	---	---	---	---	---	---	---

Compiled by CBRE

## DISCUSSION/ANALYSIS OF RENT COMPARABLES

Overall, the comparables produced a rental rate range from \$400,000 to \$775,000, and an outlier of \$3,515,000 as produced by the Bayside Marketplace lease renegotiation / extension, or \$1.11 to \$9.31 per square foot of net site area, excluding any submerged lands.

Based on the subject's site size, location and highest & best use As Is, the market rent should fall below Rent Comparables 2 & 3, which are both high profile, corner intersection locations with long term leases to credit-worthy retail pharmacy tenants; and above Rent Comparables 1 & 4, which are inferior locations, and/or lower density retail and tourist attraction land uses when compared to the subject property. Finally, Rent Comparable 5 is the most similar location, but a superior comparable given the size and synergy of an existing income producing festival marketplace with entertainment, retail and restaurant uses.

## RENT MULTIPLIER METHOD

As a gross check to the preceding market rent comparison technique, we have also employed a rent multiplier method in order to determine market rent. The rent multiplier method is based on the difference or spread between the agreed upon rental rate and the overall capitalization rate used to determine prospective value of what an investor would pay for a leased fee investment to an end buyer and represents the profit expectation that a developer would require in order to secure a prime tract of land, negotiate a long term ground lease with a good quality tenant and perform earthwork & site improvements, if necessary, in order to secure a long term ground lease.

An appropriate profit spread for a ground lease transaction of this type would be between 200 and 300 basis points between rent multiplier and overall capitalization rate. In order to determine a reasonable overall capitalization rate we have presented the following national investor survey for triple net lease and land lease investors:

OVERALL CAPITALIZATION RATES		
Investment Type	OAR Range	Average
<i>RealtyRates.com</i>		
Land Leases;		
Restaurant	4.10% - 16.23%	8.46%
Retail	2.86% - 11.92%	7.01%
Special Purpose	3.30% - 16.71%	8.50%
All Property Types	2.78% - 16.71%	7.65%
<i>PwC National Investor Survey</i>		
National Net Lease Market	6.00% - 8.50%	6.98%
<b>Indicated OAR:</b>		<b>6.00%-7.00%</b>
Compiled by: CBRE		

Based on the foregoing analysis and presentation, the subject properties have the potential to be ground leased to a retail/restaurant developer as presented in the table above. The corresponding capitalization range for a long term prospective ground lease investment would then be 6.0% to 7.0%. Hence, a 6.0% to 7.0% overall capitalization rate expectation plus 200 to 300 basis point spread for profit expectation would produce a rent multiplier range of 8.0 to 10.0.

The following tables present the rent multiplier method conclusions for subject Tract B (excluding dedicated rights-of-way):

<b>RENT MULTIPLIER METHOD - MARITIME ARENA PLAT, PARCEL B</b>				
Rent Multiplier		Land Value		Potential Rent
0.09	x	\$7,500,000	=	\$675,000
0.10	x	\$7,500,000	=	\$750,000
<b>Indicated Market Rent As Is:</b>				<b>\$700,000</b>
<b>Indicated Market Rent PSF:</b>				<b>\$5.81</b>
Compiled by CBRE				

Because the subject Tract B including the dedicated rights-of-way is a larger parcel, but derives the same FAR density based on existing restrictions and covenants, i.e. Baywalk, transient dockage, open space and public park elements that could be developed on the outer lying rights-of-way areas. As such, we have used a slightly lower range of multipliers in order to reflect the risk and carry of a larger parcel, without any benefit for FAR density.

Therefore, the corresponding rent multiplier range for Tract B including the dedicated rights-of-way of 7.0 to 9.0 in order to estimate a reasonable market rent for the subject property.

<b>RENT MULTIPLIER METHOD - MARITIME ARENA PLAT, PARCEL B &amp; ROW</b>				
Rent Multiplier		Land Value		Potential Rent
0.07	x	\$10,000,000	=	\$700,000
0.09	x	\$10,000,000	=	\$900,000
<b>Indicated Market Rent As Is:</b>				<b>\$800,000</b>
<b>Indicated Market Rent PSF:</b>				<b>\$4.39</b>
Compiled by CBRE				

### MARKET RENT ESTIMATE

The following chart shows the reconciled market rent conclusions for the subject properties based on our market rent survey and rent multiplier method:

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**MARKET RENT CONCLUSIONS**


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Category	Tract B	Tract B & ROW
Land Area (SF)	120,485	182,341
Market Rent (\$/SF/Yr.)	\$6.00	\$4.50
Market Rent (\$/Yr.) (Rounded)	\$720,000	\$820,000
Concessions	9 to 12 Months Build Time	
Reimbursements	Absolute net	Absolute net
Annual Escalation	Flat for term, than 10% every 5 years	
Site Improvements (New Tenants)	Tenant responsibility	
Tenant Improvements (Renewals)	Tenant responsibility	
Average Lease Term	25 Years + 5, 5 Year Option Terms	
Leasing Commissions (New Tenants)	4.0%	4.0%
Leasing Commissions (Renewals)	2.0%	2.0%
Compiled by CBRE		

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It should be also noted, our market rent conclusions assume a for-profit commercial retail/restaurant development with public open space and park elements, while a civic or public use, such as cultural facilities, educational facilities, a museum and/or visitor attraction may not be financially feasible under the aforementioned market rent scenarios.

In addition, the above market rent estimates exclude any revenue sharing and/or percentage rent, that is typically negotiated on a case-by-case basis with tenant prospects/developers as a public/private economic incentive.



## Fair Market Daily Rent (FMR)

In this section, we have estimated the fair market daily rental rate (FMR) of several allowable uses including valet parking support for Miami Heat games at the AAA; the staging support for concerts & circus events occurring at the AAA; and, third party sponsored concerts, carnivals and private party events. In order to determine a reasonable range of daily rental rates for the allowable uses, we have surveyed the closet parking support areas including surface parking lots and garages within very close proximity of the American Airlines Arena. We also interviewed City event staff at the Cities of Fort Lauderdale and Miami Beach in order to determine a reasonable range of daily events fees for outdoor concert events and the circus.

The comparable survey data is presented in the following narrative followed by a summary schedule of our fair market daily rental rate estimates.

### Valet Parking for Miami Heat Games at AAA

In order to determine the fair market daily rental rate for valet parking for the Miami Heat games at the AAA, we have analyzed the following market data:

- 1) Various downtown Miami central business district (CBD) daily and monthly self parking starts at \$5.00 to \$15.00 per day or \$0.017 to \$0.050, respectively, for business and event parking; and, \$75.00 to \$80.00 per month or \$0.008 to \$0.009 for open surface parking lots.
- 2) M & M Parking Management, LLC (305) 879-8032 for AAA event parking at 601 N.E. 1<sup>st</sup> Avenue, Miami, Florida ranges from \$5.00 to \$10.70 per space per event or \$0.017 to \$0.036 per square foot, and as high as \$20.00 to \$30.00 per space or \$0.067 to \$0.100 per square foot for premium event parking and for a maximum 24 hour daily rates
- 3) The PAMM (Perez Art Museum Miami) off-street parking support is provided by the Omni Center (2,200 spaces/1645 Biscayne Boulevard) and the Adriene Arscht Center (1300 Biscayne Boulevard) both charge \$30.00 to \$35.00 for daily maximum event parking rates, which equates to \$0.100 to \$0.117 per square foot.
- 4) Lot 19, Section 1 (500 block of Biscayne Boulevard) owned & operated by the City of Miami Parking Authority supports 85 spaces at \$10.00 per space per day or \$850.00 "in bulk" for special events, which equates to \$0.033 per square foot.
- 5) Miami Heat Season Parking Passes at Lot 19, Sections 1 & 2 ( 400 & 500 block of Biscayne Boulevard) and immediately south of the AAA is priced at \$1,510 for 3 pre-season games, 41 regular games and 16 possible play-off games, which equates to a total of 60 game days or \$25.17 per game day and \$0.084 per square foot.
- 6) We also note that contract valet parking managed services charge \$55.00 per vehicle to the end using public and a generous price spread is necessary in order to provide an

operating profit incentive for a managed parking/valet company to staff, insure and operate a valet service on game & event days.

The most comparable parking options would be number 2, 4 & 5 above, which produced a range of \$0.033 to \$0.117 for daily open surface parking. The garage parking sets the upper end of the range and is considered a premium because of the consumer perception of higher security and protection from the weather. Therefore, we would expect the subject property Parcel B to lease "in bulk" for approximately **\$10.00** per space per day or for **\$0.033** per square foot, excluding the rights-of-way, which would be utilized for valet & traffic circulation.

#### Staging for Concerts & Circus at AAA

Current daily rates for staging concerts and circus events, including the housing of animals, whereby the entire 4.19-acres is utilized, is reported to be \$550.00 and \$650.00 or \$0.003 to \$0.004 per square foot, respectively.

BB&T Arena in the City of Sunrise includes event staging area parking and storage as part of the contract and does not charge separately for event staging areas.

As with most special event venues and arenas, it would be expected that event staging areas would be part of the overall event production contract. Therefore, we would expect the fair market daily rental rate for staging events would be at or above the actual charges reported for the AAA and at the low end of the range reported from the preceding valet parking survey, at say **\$1,100** and **\$1,300** or **\$0.006** and **\$0.007** per square foot, respectively for concerts and circus staging uses on the entire 4.19-acres.

#### Carnival, Concerts & Private Party Event

In order to determine a reasonable Carnival, concerts and private event fees we have interviewed City staff who overview special event departments for similar waterfront and beach communities in South Florida, and presented as follows:

- 1) City of Fort Lauderdale hosts a variety of charitable events, concerts and 5k runs and charges \$5,000 to \$12,500 per day or \$0.007 to \$0.017 per square foot for special event use of the Fort Lauderdale Beach Park located at 1100 S. State Road A1A (Atlantic Boulevard). This area comprises approximately 16.529-acres and is supports extensive parking lot improvements and Atlantic Ocean beach front.
- 2) The City of Miami Beach hosts a wide variety of special events including weddings, ceremonies, team building, auto shows, Art Basel, Miami International Boat Show, the South Beach Food & Wine Festival, etc.. The base square footage fee is \$0.25 per square foot plus an application fee of \$250.00, permit fee of \$250.00 to \$500.00 and security deposits of \$2,500 to \$20,000 +, plus concession agreement of 10% to 15% of beverage, ticket sales and merchandise for non-beach and beach events, respectively. There is also park user fee of 25% of the total City Services, not including administrative

fees; light pole banner announcement fees; building department permit fees, police & fire department fees and parking meter rental fees.

We noted the base square foot fee of \$0.25-PSF is waived for wedding ceremonies and Class C1 special events, which is less than 150 occupancy and maximum 6 hours to 1 day load in/load out occupancy.

Based on the foregoing information and presentation, we have estimated the fair market daily rental rate for outdoor carnivals, concerts and private parties to be between \$0.01 and \$0.25 per square foot with a nominal fee at the lower end of the range for the non-commercial events, such as weddings & private parties. Concerts would be the most intense commercial event and should be near the upper end of the range, but below the Miami Beach fee of \$0.25-PSF, which is considered to be superior in location and supporting amenities, i.e. South Beach, etc.. Although carnivals are a commercial event use, it is considered to be less intense than a concert event. Therefore, we have estimated carnivals to be at the midpoint of the range.

Our estimates of fair market daily rental rates is summarized in the following table:

SCHEDULE OF FAIR MARKET DAILY RENTAL RATES								
Scenario	Type of Use or Event	Comments	Location	Rentable Site Area - Acres	No. of Spaces	FMR Per Space Per Day	FMR Rent Per Day	FMR PSF/Day
1	Valet Parking for Miami Heat Games at AAA	Season parking Includes 3 pre-season games; 41 regular games & 16 possible play-off games	Tract B	2.77 Acre	400	\$10.00 /Space	\$4,000/Day	\$0.033 PSF
2	Concerts	For-profit concert staging area for AAA events	Tract B & dedicated rights-of-way	4.19 Acre	Open surface	---	\$1,100/Day	\$0.006 PSF
3	Circus	For-profit circus staging area for AAA events	Tract B & dedicated rights-of-way	4.19 Acre	Open surface	---	\$1,300/Day	\$0.007 PSF
4	Carnivals	For-profit outdoor carnival events & staging	Tract B & dedicated rights-of-way	4.19 Acre	Open surface	---	\$18,000/Day	\$0.099 PSF
5	Concerts	For-profit outdoor concert events & staging	Tract B & dedicated rights-of-way	4.19 Acre	Open surface	---	\$36,000/Day	\$0.197 PSF
6	Private Parties & Weddings	Private outdoor events & staging	Tract B & dedicated rights-of-way	4.19 Acre	Open surface	---	\$2,500/Day	\$0.014 PSF
Notes: Event information sourced from City of Miami, City of Miami Beach and City of Fort Lauderdale. All above information and rates exclude any application fees, permit fees, security deposits, fire rescue, police & security support, waste management, insurance, or any other City or County services and/or sponsorships. Non-profit and/or public events not reported.								
Compiled by CBRE								

## Reconciliation of Values

In the sales comparison approach, the subject is compared to similar properties that have been sold recently or for which listing prices or offers are known. The sales used in this analysis are considered reasonably comparable to the subject, and the required adjustments were based on reasonable and well-supported rationale. Therefore, the sales comparison approach is considered to provide a reliable value indication As Is.

The income approach is applicable to the subject property since it has income producing potential in the open market. The rent comparables used in this analysis are considered comparable to the subject property and produced a reasonable range of market rent indicators for valuing the subject property. In addition, the rent multiplier method was employed and supported by the comparable sale land value analysis, overall capitalization rates and profit spread expectations as surveyed from developers and investors active with this property type. Therefore, the income approach is considered a reasonable and significant indicator for estimating market rent and has been given primary emphasis in the final rent estimate.

Based on the foregoing, the market values, market rent and hypothetical values of the subject have been concluded as follows:

MARKET VALUE & MARKET RENT CONCLUSIONS			
Appraisal Premise	Interest Appraised	Date of Value	Value & Rent Conclusions
As Is Land Value of Tract B	Fee Simple Estate	September 2, 2014	\$7,500,000
As Is Land Value of Tract B & Dedicated Rights-of-Way	Fee Simple Estate	September 2, 2014	\$10,000,000
As Is Market Rent for Tract B	Fee Simple Estate	September 2, 2014	\$720,000
As Is Market Rent for Tract B & Dedicated Rights-of-Way	Fee Simple Estate	September 2, 2014	\$820,000
Hypothetical Value of Tract B (Without Restriction of Use)	Fee Simple Estate	September 2, 2014	\$100,000,000
Hypothetical Value of Tract B & Dedicated ROW (Without Restriction of Use)	Fee Simple Estate	September 2, 2014	\$120,000,000
Compiled by CBRE			

## Assumptions and Limiting Conditions

1. Unless otherwise specifically noted in the body of the report, it is assumed that title to the property or properties appraised is clear and marketable and that there are no recorded or unrecorded matters or exceptions to title that would adversely affect marketability or value. CBRE, Inc. is not aware of any title defects nor has it been advised of any unless such is specifically noted in the report. CBRE, Inc., however, has not examined title and makes no representations relative to the condition thereof. Documents dealing with liens, encumbrances, easements, deed restrictions, clouds and other conditions that may affect the quality of title have not been reviewed. Insurance against financial loss resulting in claims that may arise out of defects in the subject's title should be sought from a qualified title company that issues or insures title to real property.
2. Unless otherwise specifically noted in the body of this report, it is assumed: that the existing improvements on the property or properties being appraised are structurally sound, seismically safe and code conforming; that all building systems (mechanical/electrical, HVAC, elevator, plumbing, etc.) are in good working order with no major deferred maintenance or repair required; that the roof and exterior are in good condition and free from intrusion by the elements; that the property or properties have been engineered in such a manner that the improvements, as currently constituted, conform to all applicable local, state, and federal building codes and ordinances. CBRE, Inc. professionals are not engineers and are not competent to judge matters of an engineering nature. CBRE, Inc. has not retained independent structural, mechanical, electrical, or civil engineers in connection with this appraisal and, therefore, makes no representations relative to the condition of improvements. Unless otherwise specifically noted in the body of the report: no problems were brought to the attention of CBRE, Inc. by ownership or management; CBRE, Inc. inspected less than 100% of the entire interior and exterior portions of the improvements; and CBRE, Inc. was not furnished any engineering studies by the owners or by the party requesting this appraisal. If questions in these areas are critical to the decision process of the reader, the advice of competent engineering consultants should be obtained and relied upon. It is specifically assumed that any knowledgeable and prudent purchaser would, as a precondition to closing a sale, obtain a satisfactory engineering report relative to the structural integrity of the property and the integrity of building systems. Structural problems and/or building system problems may not be visually detectable. If engineering consultants retained should report negative factors of a material nature, or if such are later discovered, relative to the condition of improvements, such information could have a substantial negative impact on the conclusions reported in this appraisal. Accordingly, if negative findings are reported by engineering consultants, CBRE, Inc. reserves the right to amend the appraisal conclusions reported herein.
3. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraisers. CBRE, Inc. has no knowledge of the existence of such materials on or in the property. CBRE, Inc., however, is not qualified to detect such substances. The presence of substances such as asbestos, urea formaldehyde foam insulation, contaminated groundwater or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.  
  
We have inspected, as thoroughly as possible by observation, the land; however, it was impossible to personally inspect conditions beneath the soil. Therefore, no representation is made as to these matters unless specifically considered in the appraisal.
4. All furnishings, equipment and business operations, except as specifically stated and typically considered as part of real property, have been disregarded with only real property being considered in the report unless otherwise stated. Any existing or proposed improvements, on or off-site, as well as any alterations or repairs considered, are assumed to be completed in a workmanlike manner according to standard practices based upon the information submitted to CBRE, Inc. This report may be subject to amendment upon re-inspection of the subject subsequent to repairs, modifications, alterations and completed new construction. Any estimate of Market Value is as of the date indicated; based upon the information, conditions and projected levels of operation.
5. It is assumed that all factual data furnished by the client, property owner, owner's representative, or persons designated by the client or owner to supply said data are accurate and correct unless otherwise specifically noted in the appraisal report. Unless otherwise specifically noted in the appraisal report, CBRE, Inc. has no reason to believe that any of the data furnished contain any material error. Information and data referred to in this paragraph include, without being limited to, numerical street addresses, lot and block numbers, Assessor's Parcel Numbers, land dimensions, square footage area of the land, dimensions of the improvements, gross building areas, net rentable areas, usable areas, unit count, room count, rent schedules, income data, historical operating expenses, budgets, and related data. Any material error in any of the above data could have a substantial impact

on the conclusions reported. Thus, CBRE, Inc. reserves the right to amend conclusions reported if made aware of any such error. Accordingly, the client-addressee should carefully review all assumptions, data, relevant calculations, and conclusions within 30 days after the date of delivery of this report and should immediately notify CBRE, Inc. of any questions or errors.

6. The date of value to which any of the conclusions and opinions expressed in this report apply, is set forth in the Letter of Transmittal. Further, that the dollar amount of any value opinion herein rendered is based upon the purchasing power of the American Dollar on that date. This appraisal is based on market conditions existing as of the date of this appraisal. Under the terms of the engagement, we will have no obligation to revise this report to reflect events or conditions which occur subsequent to the date of the appraisal. However, CBRE, Inc. will be available to discuss the necessity for revision resulting from changes in economic or market factors affecting the subject.
7. CBRE, Inc. assumes no private deed restrictions, limiting the use of the subject in any way.
8. Unless otherwise noted in the body of the report, it is assumed that there are no mineral deposits or subsurface rights of value involved in this appraisal, whether they are gas, liquid, or solid. Nor are the rights associated with extraction or exploration of such elements considered unless otherwise stated in this appraisal report. Unless otherwise stated it is also assumed that there are no air or development rights of value that may be transferred.
9. CBRE, Inc. is not aware of any contemplated public initiatives, governmental development controls, or rent controls that would significantly affect the value of the subject.
10. The estimate of Market Value, which may be defined within the body of this report, is subject to change with market fluctuations over time. Market value is highly related to exposure, time promotion effort, terms, motivation, and conclusions surrounding the offering. The value estimate(s) consider the productivity and relative attractiveness of the property, both physically and economically, on the open market.
11. Any cash flows included in the analysis are forecasts of estimated future operating characteristics are predicated on the information and assumptions contained within the report. Any projections of income, expenses and economic conditions utilized in this report are not predictions of the future. Rather, they are estimates of current market expectations of future income and expenses. The achievement of the financial projections will be affected by fluctuating economic conditions and is dependent upon other future occurrences that cannot be assured. Actual results may vary from the projections considered herein. CBRE, Inc. does not warrant these forecasts will occur. Projections may be affected by circumstances beyond the current realm of knowledge or control of CBRE, Inc.
12. Unless specifically set forth in the body of the report, nothing contained herein shall be construed to represent any direct or indirect recommendation of CBRE, Inc. to buy, sell, or hold the properties at the value stated. Such decisions involve substantial investment strategy questions and must be specifically addressed in consultation form.
13. Also, unless otherwise noted in the body of this report, it is assumed that no changes in the present zoning ordinances or regulations governing use, density, or shape are being considered. The property is appraised assuming that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, nor national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report is based, unless otherwise stated.
14. This study may not be duplicated in whole or in part without the specific written consent of CBRE, Inc. nor may this report or copies hereof be transmitted to third parties without said consent, which consent CBRE, Inc. reserves the right to deny. Exempt from this restriction is duplication for the internal use of the client-addressee and/or transmission to attorneys, accountants, or advisors of the client-addressee. Also exempt from this restriction is transmission of the report to any court, governmental authority, or regulatory agency having jurisdiction over the party/parties for whom this appraisal was prepared, provided that this report and/or its contents shall not be published, in whole or in part, in any public document without the express written consent of CBRE, Inc. which consent CBRE, Inc. reserves the right to deny. Finally, this report shall not be advertised to the public or otherwise used to induce a third party to purchase the property or to make a "sale" or "offer for sale" of any "security", as such terms are defined and used in the Securities Act of 1933, as amended. Any third party, not covered by the exemptions herein, who may possess this report, is advised that they should rely on their own independently secured advice for any decision in connection with this property. CBRE, Inc. shall have no accountability or responsibility to any such third party.
15. Any value estimate provided in the report applies to the entire property, and any pro ration or division of the title into fractional interests will invalidate the value estimate, unless such pro ration or division of interests has been set forth in the report.

16. The distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. Component values for land and/or buildings are not intended to be used in conjunction with any other property or appraisal and are invalid if so used.
17. The maps, plats, sketches, graphs, photographs and exhibits included in this report are for illustration purposes only and are to be utilized only to assist in visualizing matters discussed within this report. Except as specifically stated, data relative to size or area of the subject and comparable properties has been obtained from sources deemed accurate and reliable. None of the exhibits are to be removed, reproduced, or used apart from this report.
18. No opinion is intended to be expressed on matters which may require legal expertise or specialized investigation or knowledge beyond that customarily employed by real estate appraisers. Values and opinions expressed presume that environmental and other governmental restrictions/conditions by applicable agencies have been met, including but not limited to seismic hazards, flight patterns, decibel levels/noise envelopes, fire hazards, hillside ordinances, density, allowable uses, building codes, permits, licenses, etc. No survey, engineering study or architectural analysis has been made known to CBRE, Inc. unless otherwise stated within the body of this report. If the Consultant has not been supplied with a termite inspection, survey or occupancy permit, no responsibility or representation is assumed or made for any costs associated with obtaining same or for any deficiencies discovered before or after they are obtained. No representation or warranty is made concerning obtaining these items. CBRE, Inc. assumes no responsibility for any costs or consequences arising due to the need, or the lack of need, for flood hazard insurance. An agent for the Federal Flood Insurance Program should be contacted to determine the actual need for Flood Hazard Insurance.
19. Acceptance and/or use of this report constitutes full acceptance of the Contingent and Limiting Conditions and special assumptions set forth in this report. It is the responsibility of the Client, or client's designees, to read in full, comprehend and thus become aware of the aforementioned contingencies and limiting conditions. Neither the Appraiser nor CBRE, Inc. assumes responsibility for any situation arising out of the Client's failure to become familiar with and understand the same. The Client is advised to retain experts in areas that fall outside the scope of the real estate appraisal/consulting profession if so desired.
20. CBRE, Inc. assumes that the subject analyzed herein will be under prudent and competent management and ownership; neither inefficient nor super-efficient.
21. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined and considered in the appraisal report.
22. No survey of the boundaries of the property was undertaken. All areas and dimensions furnished are presumed to be correct. It is further assumed that no encroachments to the realty exist.
23. The Americans with Disabilities Act (ADA) became effective January 26, 1992. Notwithstanding any discussion of possible readily achievable barrier removal construction items in this report, CBRE, Inc. has not made a specific compliance survey and analysis of this property to determine whether it is in conformance with the various detailed requirements of the ADA. It is possible that a compliance survey of the property together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the ADA. If so, this fact could have a negative effect on the value estimated herein. Since CBRE, Inc. has no specific information relating to this issue, nor is CBRE, Inc. qualified to make such an assessment, the effect of any possible non-compliance with the requirements of the ADA was not considered in estimating the value of the subject.
24. Client shall not indemnify Appraiser or hold Appraiser harmless unless and only to the extent that the Client misrepresents, distorts, or provides incomplete or inaccurate appraisal results to others, which acts of the Client approximately result in damage to Appraiser. Notwithstanding the foregoing, Appraiser shall have no obligation under this Section with respect to any loss that is caused solely by the active negligence or willful misconduct of a Client and is not contributed to by any act or omission (including any failure to perform any duty imposed by law) by Appraiser. Client shall indemnify and hold Appraiser harmless from any claims, expenses, judgments or other items or costs arising as a result of the Client's failure or the failure of any of the Client's agents to provide a complete copy of the appraisal report to any third party. In the event of any litigation between the parties, the prevailing party to such litigation shall be entitled to recover, from the other, reasonable attorney fees and costs.

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Addendum A

**LAND SALE DATA SHEETS**

## LAND SALE No. 1

### Port Laudania

#### Location Data

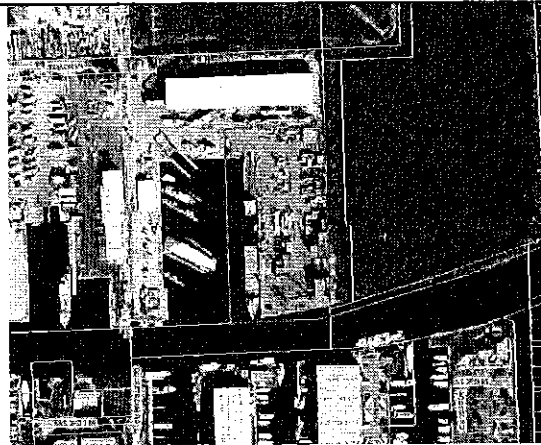
Location: 750 N.E. 7th Avenue  
Dania Beach, FL 33004  
County: Broward  
Parcel No: 50-42-35-17-0020  
Atlas Ref:

#### Physical Data

Type: Industrial  
Land Area: Gross Usable  
Acres: 5.680 3.450  
Square Feet: 247,421 150,282  
Topography: Generally Level  
Shape: Rectangular  
Utilities: Water & septic  
Zoning: IG, Industrial General  
Allowable Bldg Area:  
Floor Area Ratio:  
No. of units:  
Max FAR: NA  
Frontage: Dania Cut-Off Canal - 333; Boat basin - 600;

#### Analysis

Use At Sale: Shipping terminal  
Proposed Use or Dev. Shipping terminal  
Price Per Acre: \$2,847,826  
Price Per SF of Land: \$65.38  
Price Per Unit:  
Price Per SF of Bldg:



#### Financial Data

Transaction Type: Sale  
Date: 4/2011  
Marketing Time: NA  
Grantor: C-Term Partners  
Grantee: C-Term Partners (Seacor)  
Document No.: Corporate stock transfer  
Sale Price: \$7,900,000  
Financing: All Cash  
Cash Eq. Price: \$7,900,000  
Onsite/Offsite Costs: \$1,925,000  
Adj. Sale Price: \$9,825,000  
Verification: Appraisal on-file

#### Comments

This comparable sale comprises a 5.682-acre (247,498 sq. ft.) shipping terminal site located at 750 N.E. 7th Avenue in Dania Beach. The site area contains 3.45 acres of uplands; 1.46 acres of submerged port basin; and 0.77-acres of submerged, deepwater canal right-of-way with unrestricted access to the Intracoastal Waterway and ultimately to the Port Everglades inlet. The property improvements include a wharf with concrete cap, tire fenders, bollards, a barge slip, asphalt paving, a truckwell, bulk oil trough, chain link fence with 3-strand barb wire & rolling gate, precast light poles with camera mounts & dual light fixtures, a wharf side power pedestal with 480/208 electric service, and fire hose station. The port basin is reportedly 9 to 15 deep during normal tidal conditions. The sale transaction is an unrecorded company stock transfer reported at \$7.9 million, "all cash" plus the buyer is spent \$1,925,000 on engineering & construction costs for bulkhead replacement, new crane pad, submerged sheetpile repair, structural backfill, terminal ramp and resurfacing.

## LAND SALE No. 2

### 3200 E. Atlantic Boulevard

#### Location Data

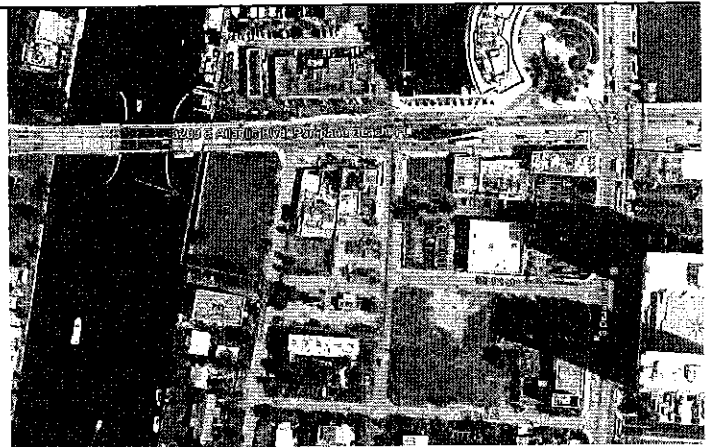
Location: 3200 E. Atlantic Boulevard  
Pompano Beach, FL 33060  
County: Broward  
Parcel No: 49-43-06-11-0440; Multiple  
Atlas Ref:

#### Physical Data

Type:	Spec-Holding
Land Area:	<u>Gross</u> <u>Usable</u>
Acres:	2.054 2.054
Square Feet:	89,450 89,449
Topography:	Level, At Street Grade
Shape:	Rectangular
Utilities:	To site
Zoning:	B-3/PCD, General Business
Allowable Bldg Area:	0 SF
Floor Area Ratio:	0.00
No. of units:	0
Max FAR:	0.00
Frontage:	East Atlantic Boulevard & Intracoastal Waterway - ;

#### Analysis

Use At Sale:	Obsolete restaurant/stores
Proposed Use or Dev.	Residential condominium
Price Per Acre:	\$2,629,657
Price Per SF of Land:	\$60.37
Price Per Unit:	\$0
Price Per SF of Bldg:	\$0.00



#### Financial Data

Transaction Type:	Sale
Date:	11/2011
Marketing Time:	5 Months
Grantor:	Y&O Investments, LLC, Gar Enterprises, LLC & Robert Krilich
Grantee:	TSATAS Acquisitions, LLC
Document No.:	48324/1498
Sale Price:	\$5,400,000
Financing:	Cash to Seller
Cash Eq.Price:	\$5,400,000
Onsite/Offsite Costs:	\$0
Adj. Sale Price:	\$5,400,000
Verification:	Scott Auker, Listing broker

#### Comments

This comparable land sale is a three part assemblage comprising obsolete restaurants and stores dating to 1958 & 1960 that front East Atlantic Boulevard and Hibiscus Avenue, an obsolete convenience store identified as "The Corner Store" fronting Hibiscus Avenue, and, a vacant tract on the west side of Riverside Drive and fronting the Intracoastal Waterway. The existing tenant base includes well known Coastal Cafe, The Side Pocket Pub, Jesse's, Spanky's and a dinette showroom.

The buyer is a Canadian based developer who has not yet submitted a site plan. The underlying zoning is General Business and Planned Commercial Business, and the property is located within the Pompano Beach Eastern CRA, whereby streetscapes, sidewalk widening, enhanced landscaping and building facade grants are underway.

## LAND SALE No. 3

### CVS Pharmacy

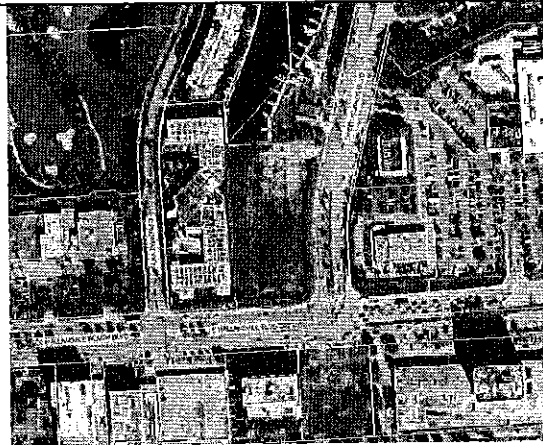
#### Location Data

Location: 2101 E. Hallandale Beach  
Boulevard  
Hallandale Beach, FL 33009

County: Broward

Parcel No: 51-42-23-12-0020

Atlas Ref:



#### Physical Data

Type:	Retail/Commercial	
Land Area:	<u>Gross</u>	<u>Usable</u>
Acres:	2.363	2.363
Square Feet:	102,932	102,932
Topography:	Level, At Street Grade	
Shape:	Rectangular	
Utilities:	In-place	
Zoning:	CCB, Central City Business	
Allowable Bldg Area:	15,034 SF	
Floor Area Ratio:	0.15	
No. of units:	NA	
Max FAR:	NA	
Frontage:	East Hallandale Beach Blvd. - 167; Three Islands Blvd. - 450;	

#### Financial Data

Transaction Type:	Sale
Date:	7/2012
Marketing Time:	11 Months
Grantor:	MAMC V-Strategic, LLC
Grantee:	CVS 10078 FL, LLC
Document No.:	48937/1072
Sale Price:	\$5,900,000
Financing:	All Cash
Cash Eq.Price:	\$5,900,000
Onsite/Offsite Costs:	
Adj. Sale Price:	\$5,900,000
Verification:	Charlie Manuel, Gadinsky Real Estate #786-276-2387

#### Analysis

Use At Sale:	Vacant
Proposed Use or Dev.	Retail pharmacy store
Price Per Acre:	\$2,496,826
Price Per SF of Land:	\$57.32
Price Per Unit:	
Price Per SF of Bldg:	\$392.44

#### Comments

This comparable land sale was acquired for the express purpose of developing a CVS pharmacy with drive through. The property was broker listed at \$7,000,000 for about 10 months under the direction of a court appointed receiver. The site is platted and was previously entitled with a City of Hallandale Beach development agreement for a mixed-use high-rise building comprising 118 residential units, 170 condominium hotel units, 16,234-SF of accessory hotel uses, 5,634-SF of retail space, 91,032-SF of office space, 12,208-SF of bank space and 25,604-SF of gym space in a project identified as the European Club. The development agreement was conditioned upon off-site obligations including funding & installing a telephone drop, a fiber optic signal interconnect link, a video detection system upgrade at Seawalk Pointe, Three Islands Blvd., & AIA, a sewer lift station, median relocation, \$275,000 towards fire station improvements, and/or contributions to the City's trust fund, affordable housing fund or the City's transportation fund. However, some of these obligations no longer apply.

The site location along East Hallandale Beach Boulevard is wedged between the Diplomat golf course community to the west and the Three Islands community to the northeast. The site backs up to the Desoto waterway, which is a restricted deep water access canal that leads to the Intracoastal Waterway.

Prior sale history reported in December 1986 at \$5,110,820; March 1989 at \$4,385,000; July 2005 at \$4,650,000, and foreclosed upon prior to this recent sale in July 2010.

## LAND SALE No. 4

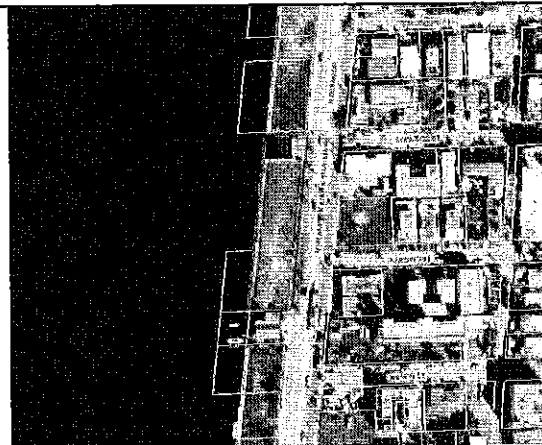
### 2817 N Ocean Drive

#### Location Data

Location: 2817 N Ocean Drive  
Hollywood, FL 33019  
County: Broward  
Parcel No: 51-42-12-02-0090  
Atlas Ref:

#### Physical Data

Type: Multi-Family  
Land Area: Gross Usable  
Acres: 0.840 0.840  
Square Feet: 36,590 36,590  
Topography: Level, At Street Grade  
Shape: Rectangular  
Utilities: To site  
Zoning: BRT-25  
Allowable Bldg Area: 0 SF  
Floor Area Ratio: 0.00  
No. of units: 20  
Max FAR: 0.00  
Frontage: Intracoastal Waterway - ;N Ocean Drive - ;



#### Financial Data

Transaction Type: Sale  
Date: 7/2012  
Marketing Time: 4 Months  
Grantor: Intercoastal Hollywood, LLC  
Grantee: Sunset Harbor Residences, LLC  
Document No.: 48920/1499  
Sale Price: \$1,600,000  
Financing: Not Available  
Cash Eq.Price: \$1,600,000  
Onsite/Offsite Costs: \$0  
Adj. Sale Price: \$1,600,000  
Verification: Broker

#### Analysis

Use At Sale: Vacant  
Proposed Use or Dev. Townhome  
Price Per Acre: \$1,904,762  
Price Per SF of Land: \$43.73  
Price Per Unit: \$80,000  
Price Per SF of Bldg:

#### Comments

This comparable is located along the Intracoastal Waterway, between Coolidge Street and Harding Street in Hollywood. Zoning allows for up to 25 units per acre, however, based on height and parking restrictions, the maximum number of allowable townhomes is 17 and the maximum number of allowable condominium units is 20. The site also allows for 10 boat slips. The original asking price was \$1,995,000; the property sold to a condominium developer for \$1,600,000, or \$80,000 per developable condominium unit. No immediate development plans were reported.

## LAND SALE No. 5

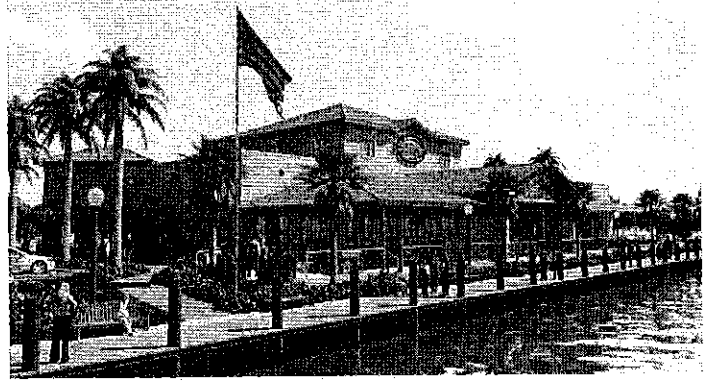
### Bokamper's Sports Bar & Grill

#### Location Data

Location: 3115 N.E. 32nd Avenue  
Fort Lauderdale, FL 33308  
County: Broward  
Parcel No: 49-43-19-01-0010; Multiple  
Atlas Ref:

#### Physical Data

Type:	Retail/Commercial	
Land Area:	<u>Gross</u>	<u>Usable</u>
Acres:	1.742	1.742
Square Feet:	75,882	75,882
Topography:	Level, At Street Grade	
Shape:	Rectangular	
Utilities:	Available to site	
Zoning:	CB, Community Business	
Allowable Bldg Area:	17,000 SF	
Floor Area Ratio:	0.22	
No. of units:		
Max FAR:	NA	
Frontage:	N.E. 32nd Avenue - ; N.E. 32nd Street - ; Intracoastal Waterway - ;	



#### Financial Data

Transaction Type:	Sale
Date:	9/2012
Marketing Time:	20 Months
Grantor:	Land Holding, LLC
Grantee:	P.D.K.N. P-4, LLC
Document No.:	49069/863
Sale Price:	\$3,350,000
Financing:	All Cash
Cash Eq.Price:	\$3,350,000
Onsite/Offsite Costs:	
Adj. Sale Price:	\$3,350,000
Verification:	Sky Groden, Listing Agent Cushman & Wakefield #561-227-2020

#### Analysis

Use At Sale:	Obsolete commercial buildings & vacant lots
Proposed Use or Dev.	Sit down restaurant with outdoor seating
Price Per Acre:	\$1,923,077
Price Per SF of Land:	\$44.15
Price Per Unit:	
Price Per SF of Bldg:	\$197.06

#### Comments

This comparable land sale comprises several waterfront and dry lots along the Intracoastal Waterway under the East Oakland Park Boulevard bridge in the Galt Ocean Mile submarket in east Fort Lauderdale. The buyer intended to build and operate a 17,000-SF sports bar & grill restaurant with outdoor seating and 17-boat slips. The property was broker listed at \$3,95,000 for almost two years prior to contract, which was subject to site plan approval. Two of the dry lots had approximately 4,000-SF +/- of obsolete commercial buildings that will be demolished. The waterfront lots are subdivided from the dry lots by N.E. 32nd Avenue, and the dry lots will be used for valet parking support. There was also a one off lot that was part of the overall purchase and was swapped with the City to improve fire station grading issues.

The buyer also executed a modification of ownership change for the submerged land lease for 14,000-SF with the Board of Trustees of the Internal Improvement Trust Fund of the State of Florida. The annual rent is a nominal \$2,247.72 and permits 17-slips. It should also be noted, the buyer executed a Brownfield agreement with the City of Fort Lauderdale, which encourages redevelopment and job creation with some economic incentives to the property owner/developer.

## LAND SALE No. 6

### Former Crab House

#### Location Data

Location: 1555 N. Bay Causeway  
North Bay Village, FL 33141  
County: Miami-Dade  
Parcel No: 23-3209-000-0030 & 0200  
Atlas Ref:

#### Physical Data

Type: Multi-Family  
Land Area: Gross Usable  
Acres: 1.920 1.920  
Square Feet: 83,701 83,701  
Topography: Level, At Street Grade  
Shape: Rectangular  
Utilities: Available to site  
Zoning: CG, General Commercial & RM-70  
Allowable Bldg Area:  
Floor Area Ratio:  
No. of units: 135  
Max FAR: NA  
Frontage: North Bay Causeway -  
465; Biscayne Bay - 465;

#### Analysis

Use At Sale: Obsolete restaurant  
Proposed Use or Dev. Residential condominium  
Price Per Acre: \$3,942,233  
Price Per SF of Land: \$90.50  
Price Per Unit: \$56,111  
Price Per SF of Bldg:



#### Financial Data

Transaction Type: Sale  
Date: 3/2013  
Marketing Time: 5 Months  
Grantor: North Bay I, LLC  
Grantee: North Bay Causeway, LLC  
Document No.: 28566/813  
Sale Price: \$7,575,000  
Financing: All Cash  
Cash Eq. Price: \$7,575,000  
Onsite/Offsite Costs:  
Adj. Sale Price: \$7,575,000  
Verification: John Csapo, Listing Agent  
Realty Masters 2  
#954-614-1600

#### Comments

This comparable is a 1.92 acre site located on the north side of the 79th Street Causeway in North Bay Village, Miami-Dade County, Florida. This site is improved with a local non-credit seafood restaurant whose lease expires in June 2013. This site has bay frontage with deep water access and unrestricted water views. The property is comprised of two-lots. One lot is zoned GC, General Commercial and the other is zoning RM-70, High Density Residential. Both zoning classifications allow 72 du/acre of 1 bed or 64 du/acre of 2 bed. However, the lot zoned GC also requires street-level retail of at least 50% of the existing use (+/- 4,320 SF). The property was purchased for future development of a mixed-use condominium project. Additional details were requested but not available due to client confidentiality.

## LAND SALE No. 7

### Echo Brickell Site (with TDRs)

#### Location Data

Location: 1451 Brickell Avenue  
Miami, FL 33131

County: Miami-Dade

Parcel No: 01-4139-036-0020; 01-0210-050-2530

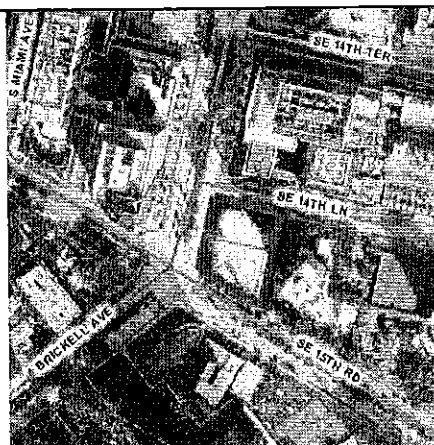
Atlas Ref:

#### Physical Data

Type:	Multi-Family	
Land Area:	<u>Gross</u>	<u>Usable</u>
Acres:	0.590	0.590
Square Feet:	25,976	25,976
Topography:	Generally Level	
Shape:	Irregular	
Utilities:	All Available	
Zoning:	T6-48a O, Urban Core	
Allowable Bldg Area:	426,786 SF	
Floor Area Ratio:	16.43	
No. of units:	180	
Max FAR:	16.43	
Frontage:	Brickell Avenue - ;SW 14th Lane - ;SW 15th Road - ;	

#### Analysis

Use At Sale:	Vacant Land
Proposed Use or Dev.	High-rise residential condominium
Price Per Acre:	\$43,961,764
Price Per SF of Land:	\$1,009.18
Price Per Unit:	\$145,636
Price Per SF of Bldg:	\$61.42



#### Financial Data

Transaction Type:	Sale
Date:	7/2013
Marketing Time:	NA
Grantor:	1451 Brickell, Inc. & Avra Jain
Grantee:	PMG Acquisitions, LLC
Document No.:	28730/2648 & 28858/3110
Sale Price:	\$25,000,000
Financing:	All Cash
Cash Eq. Price:	\$25,000,000
Onsite/Offsite Costs:	\$1,214,400
Adj. Sale Price:	\$26,214,400
Verification:	Buyer's representative

#### Comments

This is a sale of a 0.60-acre site located at the northeast corner of Brickell Avenue and SE 15th Road at the south end of the Brickell Financial District in Miami, Miami-Dade County, Florida. At time of sale, the property had a sales center for MyBrickellHouse. The property is zoned T6-48a O, which allows a variety of residential, hotel, office and commercial uses with a Floor Lot Ratio (FLR) of 11 (including structured parking garage) indicating a total allowable gross building area of 285,736 SF (including garage area). The buyer simultaneously purchased 142,868-SF of TDR's at \$8.50-PSF of TDR from Royal 7411, LLC (Avra Jain) who owns the Royal Motel at 7411 & 7421 Biscayne Boulevard in the City of Miami and within the MiMo Historic District. The Royal Motel site was acquired by Avra Jain in May 2013 for \$1.5 million and is now left with the remaining development rights totaling 30,602.55-SF for essentially \$285,600. PMG Associates is proposing to develop Echo Brickell, which will be a 51-story, luxury residential condominium tower. It will comprise 180 residential units and 2,833 SF of commercial space with a total net sellable area of 266,862 SF and total gross building area including the garage of 426,785 SF. The total residential units are apportioned into one-, two-, three- and four-bedroom units totaling a net sellable area of 264,029 SF, indicating an average unit size of 1,467 SF. The property was placed under contract on April 2013 and closed July 17, 2013 for \$25,000,000. Including the cost of additional TDR's, the adjusted cost is \$26,214,400, which equates to \$61.42 PSF of FAR, \$1,009 PSF of land area and \$145,636 per unit.



## LAND SALE No. 8

### Rivergate Plaza Redevelopment Site

#### Location Data

Location: 440 Brickell Ave. & 77-99 SE 5th St.  
Miami, FL 33131  
County: Miami-Dade  
Parcel No: 01-0210-000-1060, 1020  
Atlas Ref:

#### Physical Data

Type:	Planned Development	
Land Area:	Gross	Usable
Acres:	3.900	3.900
Square Feet:	169,884	169,884
Topography:	Level, At Street Grade	
Shape:	Rectangular	
Utilities:	All available	
Zoning:	T6-48a and b	
Allowable Bldg Area:	2,544,226 SF	
Floor Area Ratio:	14.98	
No. of units:	1,950	
Max FAR:	14.97	
Frontage:	Brickell Avenue - 281; NE 5th Street - 420; Miami River - 390;	

#### Analysis

Use At Sale:	Office
Proposed Use or Dev.	Mixed Use
Price Per Acre:	\$26,666,667
Price Per SF of Land:	\$612.18
Price Per Unit:	\$53,333
Price Per SF of Bldg:	\$40.88



#### Financial Data

Transaction Type:	Sale
Date:	12/2013
Marketing Time:	NA
Grantor:	444 Brickell Avenue Holdings, LLC
Grantee:	444 Brickell Partners, LLC (PRH Investments, LLC)
Document No.:	28945-1320
Sale Price:	\$104,000,000
Financing:	Cash to Seller
Cash Eq.Price:	\$104,000,000
Onsite/Offsite Costs:	
Adj. Sale Price:	\$104,000,000
Verification:	Contract,

#### Comments

This is a sale of a major development site located at the SWC of Brickell Avenue and the Miami River in the Miami CBD. It is 3.90 acres making it a very large and valuable site for multi-phased, mixed-use development. At present, 444 Brickell Avenue is a 1.69-acre site that is currently improved with a 10-story, 200,368 SF, Class B office building. The site is zoned T6-48a, which allows for a density of 11X (16.5X with bonus). Approximately 30% of the leases have a 6-month termination clause but the ground floor is leased to The Capital Grill on a lease that doesn't expire until 2021. Other office leases also have expiration dates out 3-5 years. This site could stay as an office development and be phase II. 77-99 SE 5th Street is adjacent to the west and has 2.21 acres. This site also is zoned T6-48b, which allows a greater development density having an FLR of 18X (27X with bonus). This site is improved with a 2-story office building of 168,101 SF and is leased to 3 GSA tenants. All 3 leases expire in 2016, making this the probable phase I development site. The maximum density allowable by zoning for the entire site is 2,544,226 SF. The property transferred for \$104,000,000, which equates to \$612.04 PSF of land and \$40.88 PSF FAR.

The seller, 444 Brickell Avenue Holdings, LLC is held by U.S. Bank National Association, as Trustee, as successor-in-interest to Bank of America, N.A., as Trustee for the registered holders of LB-UBS Commercial Mortgage Trust 2006-C4, Commercial Mortgage Pass-Through Certificates, Series 2006-C4. In July 2010, Bank of America won a \$62,771,281.04 foreclosure suit against the subject property. The property was backed by a \$58.5 million loan that was securitized through LB-UBS Commercial Mortgage Trust, 2006-C4. A group named Rivergate Investors bought the property 12 years ago for \$30 million and refinanced it in 2006.

## LAND SALE No. 9

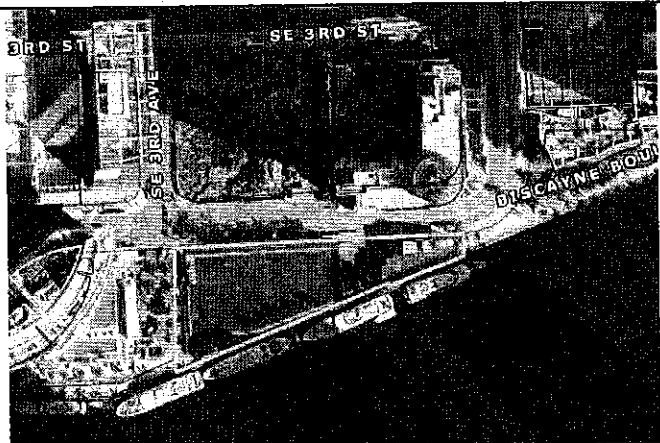
### Vacant Land

#### Location Data

Location: 300 Biscayne Blvd Way  
Miami, FL 33130  
County: Miami-Dade  
Parcel No: 01-0114-030-1010  
Atlas Ref:

#### Physical Data

Type:	Spec-Holding	
Land Area:	<u>Gross</u>	<u>Usable</u>
Acres:	1.250	1.250
Square Feet:	54,450	54,450
Topography:	Generally Level	
Shape:	Irregular	
Utilities:	All Available	
Zoning:	T6-80 O	
Allowable Bldg Area:	1,306,800 SF	
Floor Area Ratio:	24.00	
No. of units:	1,250	
Max FAR:	36.00	
Frontage:	Biscayne Blvd Way - ;Miami River - ;SE 3rd Avenue - ;	



#### Financial Data

Transaction Type:	Sale
Date:	7/2014
Marketing Time:	3 Months
Grantor:	D P Property Holding LLC
Grantee:	Riverwalk East Developments
Document No.:	
Sale Price:	\$125,000,000
Financing:	Cash to Seller
Cash Eq.Price:	\$125,000,000
Onsite/Offsite Costs:	
Adj. Sale Price:	\$125,000,000
Verification:	Listing Broker - CBRE

#### Analysis

Use At Sale:	Vacant Land
Proposed Use or Dev.	TBD
Price Per Acre:	\$100,000,000
Price Per SF of Land:	\$2,295.68
Price Per Unit:	\$100,000
Price Per SF of Bldg:	\$95.65

#### Comments

This is a sale of a 1.25 acre site located at the southeast corner of SE 3rd Avenue and Biscayne Boulevard Way within the Miami CBD. At the time of sale, the property was vacant. The property is zoned T6-80 O, which has a Floor Lot Ratio (FLR) of 24 or 1,306,800 SF, plus 50% additional public benefit, indicating a maximum FLR of 36 or 1,960,200 SF of total allowable building area, including garage area. In order to get the maximum FLR, the developer/owner will need to buy into the public benefit @ \$17.40 PSF. In addition, the maximum density is 1,000 units/acre indicating a maximum of 1,250 units. The property was in the market for 90 days, under contract for 30 days and closed July 14th 2014 for \$125,000,000 or \$2,295.68 SF of land area, \$95.65/SF of building area (based on a FLR 24) or \$100,000/unit. However, if the developer/owner maximizes the FLR to 36 or 1,960,200 SF @ \$17.40 PSF (653,400 SF @ \$17.50 PSF = \$11,434,500), the adjusted sales price is \$136,434,500 or \$2,506/SF of land area, \$69.60/SF of building area (based on a FLR 36) or \$109,148/unit. This was an all cash deal and considered to be an arms length transaction. It should be noted that there were 15 bidders, which was narrowed to six prospective buyers and ultimately selecting the buyer that did not make the highest offer but was able to close within 30 days. The buyer purchased the property with the intent to develop the site; however, no plans have been determined. The property was originally going to be the second phase of Epic; however development never commenced. The property received a MUSEP approval in 2004 for a 596 residential unit development. However, the owner could also ask the city to change the property's zoning so it reflects the current Miami 21 code of T6-80 O.

## LAND SALE No. 10

### One Thousand Museum

#### Location Data

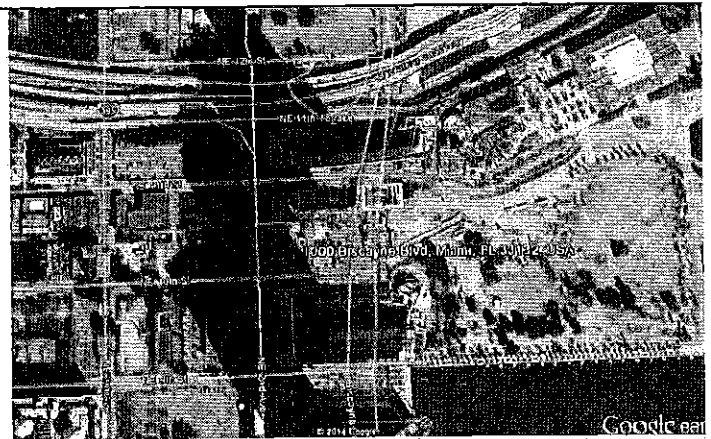
Location: 1000 Biscayne Boulevard  
Miami, FL 33132  
County: Miami-Dade  
Parcel No: 01-0102-000-1050 & 1060  
Atlas Ref:

#### Physical Data

Type:	Multi-Family	
Land Area:	<u>Gross</u>	<u>Usable</u>
Acres:	0.830	0.830
Square Feet:	36,200	36,200
Topography:	Level, At Street Grade	
Shape:	Rectangular	
Utilities:	Available to site	
Zoning:	T6-80 O, Urban Core	
Allowable Bldg Area:	489,242 SF	
Floor Area Ratio:	13.51	
No. of units:	83	
Max FAR:	NA	
Frontage:	Biscayne Blvd - ;NE 10th Street - ;NE 2nd Ave - ;	

#### Analysis

Use At Sale:	Obsolete gas station & retail
Proposed Use or Dev.	Luxury residential condominium
Price Per Acre:	\$43,321,300
Price Per SF of Land:	\$994.48
Price Per Unit:	\$433,735
Price Per SF of Bldg:	\$73.58



#### Financial Data

Transaction Type:	Sale
Date:	8/2014
Marketing Time:	NA
Grantor:	S Z Sofi, Inc. & 1000 Biscayne, Inc.
Grantee:	1000 Biscayne Tower, LLC
Document No.:	28287/2667
Sale Price:	\$36,000,000
Financing:	All Cash
Cash Eq.Price:	\$36,000,000
Onsite/Offsite Costs:	
Adj. Sale Price:	\$36,000,000
Verification:	Kevin Venger, Buyer/Developer

#### Comments

This comparable land sale comprises an obsolete BP gas station/convenience store fronting Biscayne Boulevard and an obsolete retail store building built in 1946 fronting NE 2nd Avenue and NE 10th Street. The buyer is a developer who constructed and sold out Ten Museum Park prior to the "great recession" and recently completed and sold out Regalia in Sunny Isles Beach. The current development plan is for a 57 story, luxury high-rise condo tower with roof top helipad and 4,600 to 9,900 square foot units (489,242-SF of livable/sellable) plus large terraces. The pre-construction pricing ranges from \$5,000,000 to \$18,542,000 or \$1,086 to \$1,871 per square foot of livable/sellable area. Project amenities include pool & recreation terrace, wellness center & spa, indoor aquatic center, skylounge, concierge, on-site parking and common area scenting.

Addendum B

**RETAIL RENTAL DATA SHEETS**

## RETAIL COMPARABLE No. 1

### Paramount Bay - Ground Retail and Office

#### Location Data

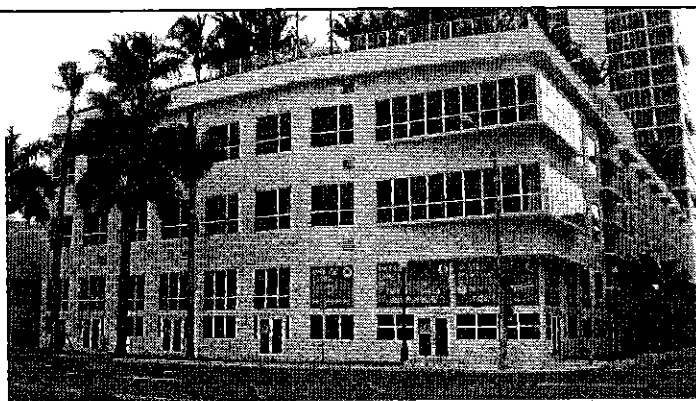
Location: 2066 Biscayne Boulevard  
Miami, FL 33137  
County: Miami-Dade  
Parcel No: 01-3230-079-0040  
Atlas Ref:

#### Physical Data

Type: Misc. Freestanding Retail  
Gross Leaseable Area: 14,386 SF  
Year Built: 2010  
Exterior Walls: Concrete Block  
Condition: Good  
Parking: Surface

#### Anchor:

Anchor Tenant GLA: 0 SF  
Local Tenant GLA: 14,386 SF  
Total GLA: 14,386 SF



#### Lease Data

##### Occupancy:

Local: 0%  
Overall: 0%  
Typical Size: 1,500 SF  
Term: 60 Months  
Base Rent PSF: \$45.00  
Rent Escalations: 3%  
Basis: NNN & Gross  
Expense Pass-Thru: \$10.00  
Free Rent:  
Tenant Improvement:  
Leasing Agent: The Comras Co/Michael Comras  
Phone No.: 305-532-0433  
Survey Date: 8/14

#### Comments

This comparable is a mixed use (retail/office/residential) building located on the northeast corner of Biscayne Boulevard and NE 20th Street, directly across the street from Braman Motors BMW dealership. The building was completed in 2010 and is currently vacant. Asking rent for ground floor retail space is \$45.00 per square foot, triple net with operating expenses at or below \$10.00/SF, reflecting an overall effective rental rate of \$55.00/SF. The current asking rent for office space is \$35.00 per square foot, gross. Commercial units are in raw shell condition with negotiable tenant improvement allowances. The broker indicated that it has been difficult to lease this property as the prospective tenants are looking for a parking ratio of 2/1,000 SF, which can not be provided at this property. In addition, the 6,981-SF of retail is listed "for sale" at \$575.00-PSF.

## RETAIL COMPARABLE No. 2

### Cite - Ground Level Retail

#### Location Data

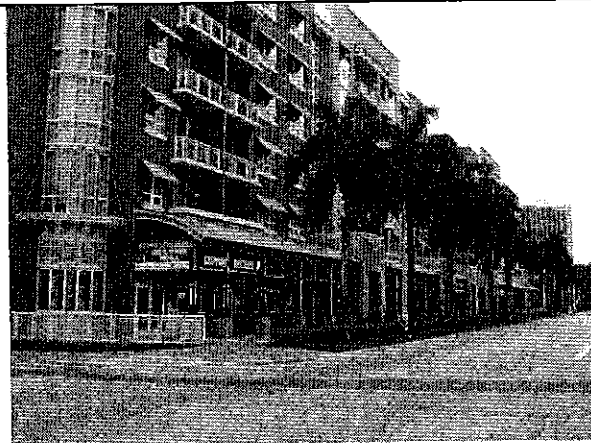
Location: 2001 Biscayne Boulevard  
Miami, FL 33137  
County: Miami-Dade  
Parcel No: 01-3230-072-4370 etal  
Atlas Ref:

#### Physical Data

Type: Un-Anchored Retail Strip  
Gross Leaseable Area: 17,791 SF  
Year Built: 2004  
Exterior Walls: Concrete  
Condition: Good  
Parking: Structured Garage

#### Anchors:

Anchor Tenant GLA: 0 SF  
Local Tenant GLA: 17,791 SF  
Total GLA: 17,791 SF



#### Lease Data

##### Occupancy:

Local: 95%  
Overall: 95%  
Typical Size: 817 SF  
Term: 60 Months  
Base Rent PSF: \$50.00  
Rent Escalations: 3%-4%  
Basis: Triple Net  
Expense Pass-Thru: \$13.63  
Free Rent: 0 Months  
Tenant Improvement: \$0.00  
Leasing Agent: Michael Behar, Behar RE Group  
Phone No.: 305-933-0614  
Survey Date: 7/14

#### Comments

This rent comparable is located at the southeast corner of Biscayne Boulevard and N.E. 20th Terrace, in Miami, Miami-Dade County and reflects the ground level retail located within the Cite Condominium development. The in-line tenants include Citibank, Paul Anthony Salon, Salad Creations, The Daily Bread, OXXO, Cort Furniture and Sandoval. Initial rents ranged from \$24.00/SF to \$32.50/SF on a triple net basis with operating expenses of \$13.63/SF. Rent escalation range from 3% to 4% per square foot per year. Rent concessions and tenant improvements are negotiable, with either free rent while tenant improvements are being completed, or a tenant improvement allowance of around \$20.00/SF. Minimal turnover has occurred, and the quoted rent is now \$50.00-PSF, triple-net for one vacant 889-SF bay.

## RETAIL COMPARABLE No. 3

### 18Biscayne

#### Location Data

Location: 1776 Biscayne Boulevard  
Miami, FL 33132  
County: Miami-Dade  
Parcel No: 01-3231-041-0010  
Atlas Ref:

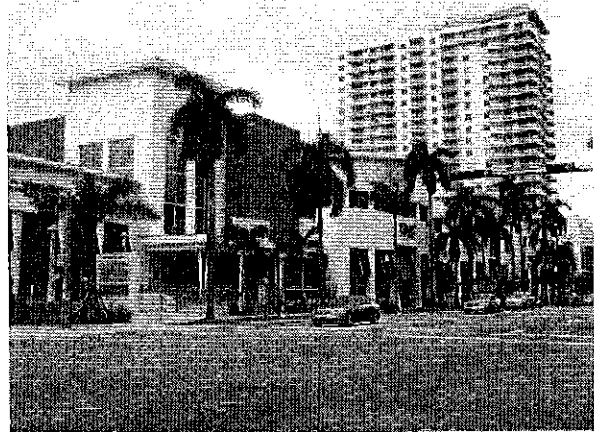
#### Physical Data

Type: Neighborhood/Community  
Gross Leaseable Area: 57,214 SF  
Year Built: 2012  
Exterior Walls: Tilt-up  
Condition: Excellent  
Parking: Covered

#### Anchor:

Publix 50,664 SF

Anchor Tenant GLA: 50,664 SF  
Local Tenant GLA: 6,550 SF  
Total GLA: 57,214 SF



#### Lease Data

##### Occupancy:

Local: 100%  
Overall: 100%

##### Typical Size:

Term: 120 Months

Base Rent PSF: \$45.00

Rent Escalations: 3%-5%

Basis: NNN

Expense Pass-Thru: \$8.50

Free Rent: 0 Months

Tenant Improvement: \$0.00

Leasing Agent: Irma Figueroa, Stiles Realty

Phone No.: 954-627-3703

Survey Date: 9/14

#### Recent Leases

Date	Size (SF)	Tenant	Rent (PSF)	TI (PSF)	Free Rent (Months)	Escalation	Term (Yrs)
3/31/2012	49,204	Publix	\$33.49	\$0.00		None	20.00
3/31/2012	1,460	Publix Liquors	\$30.00	\$0.00		4%	5.00
3/14/2012	3,185	Wells Fargo	\$52.00			1.85%	10.00
3/31/2012	1,140	GNC	\$43.00			3%	5.00
7/25/2012	1,148	Hair Cuttery	\$45.00			Bump at Year 3	5.00
6/30/2012	1,077	Best Buy Mobile	\$49.75			Flat	5.00

#### Comments

The comparable is a recently opened Publix anchored retail center with the dominant tenant being Publix. The comparable is a full city block located along the west line of Biscayne Boulevard, between NE 17th Terrace and NE 18th Street. The property also includes a branch bank (Wells Fargo), in-line space including a Publix Liquor and a 2-story parking deck with 272-spaces. The developer had to secure reduced setback and green space variances from the City of Miami and modify the Publix store model with design and screening techniques in order to reduce the visibility of the parking structure. All of the in-place leases are shown.

## RETAIL COMPARABLE No. 4

### Ten Museum Park

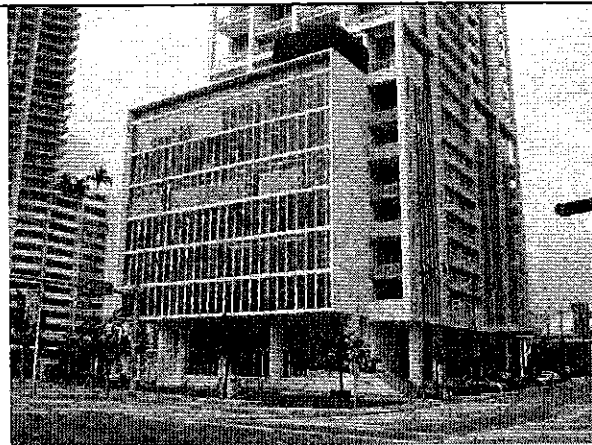
#### Location Data

Location: 1040 Biscayne Boulevard  
Miami, FL 33132  
County: Miami-Dade  
Parcel No: 01-0102-000-1010  
Atlas Ref:

#### Physical Data

Type: Un-Anchored Retail Strip  
Gross Leaseable Area: 33,661 SF  
Year Built: 2007  
Exterior Walls: Concrete  
Condition: New  
Parking: Structured Garage  
Anchors:

Anchor Tenant GLA: 0 SF  
Local Tenant GLA: 33,661 SF  
Total GLA: 33,661 SF



#### Lease Data

##### Occupancy:

Local: 48%  
Overall: 48%  
Typical Size: 3,200 SF  
Term: 60 Months  
Base Rent PSF: \$50.00  
Rent Escalations: Negotiable  
Basis: Triple net  
Expense Pass-Thru: \$21.00  
Free Rent:  
Tenant Improvement:  
Leasing Agent: Kevin Venger, Owner/Developer  
Phone No.:  
Survey Date: 9/14

#### Recent Leases

Date	Size (SF)	Tenant	Rent (PSF)	TI (PSF)	Free Rent (Months)	Escalation	Term (Yrs)
5/1/2013	700	Majestic Properties	\$50.00	\$57.00	0	4% annually	7.00
3/1/2014	2,500	CAD International	\$30.00	\$16.00	3	4% annually	3.00

#### Comments

This comparable rental comprises the ground floor and mezzanine retail space, six floors of office space and a spa within the high-rise residential development known as Ten Museum Park located at 1040 Biscayne Boulevard. The entire project is comprised of 48 floors containing 200 residential condominium units with garage parking located on floors 2-8. The spa is located on the 8th floor with an outside pool/sundeck that is shared with the community residents. The spa is open & operated by the building developer, while the retail & office spaces are in grey shell condition, and requires floor coverings, interior partitions and wall coverings, ceiling grid, electrical wiring and lighting, and HVAC ductwork prior to occupancy. According to the developer office tenant rents are executed at \$30.00 to \$31.00 per square foot on a gross basis plus electric & janitorial services with an improvement cost for the shell space in the building budgeted at \$30.00 per square foot. The ground floor retail and restaurant space is quoted at \$50.00-PSF, triple net for space facing east along Biscayne Blvd. The leasing agent reported actual lease absorption of 12,995 square feet over the preceding 12-months..



## RETAIL COMPARABLE No. 5

### 900 Biscayne Bay

#### Location Data

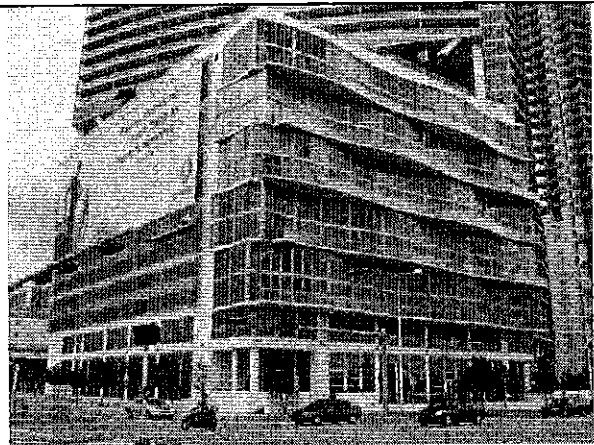
Location: 900 Biscayne Boulevard  
Miami, FL 33132  
County: Miami-Dade  
Parcel No: Multiple folios  
Atlas Ref:

#### Physical Data

Type: Retail Condominium  
Gross Leaseable Area: 15,000 SF  
Year Built: 2008  
Exterior Walls: Glass  
Condition: Excellent  
Parking: Structured Garage

#### Anchor:

Anchor Tenant GLA: 0 SF  
Local Tenant GLA: 15,000 SF  
Total GLA: 15,000 SF



#### Lease Data

##### Occupancy:

Local: 42%  
Overall: 42%  
Typical Size: 2,800 SF  
Term: 60 Months  
Base Rent PSF: \$45.00  
Rent Escalations: 3%  
Basis: Modified Gross  
Expense Pass-Thru: \$10.00  
Free Rent: 0 Months  
Tenant Improvement: \$0.00  
Leasing Agent: Ysabel Sanabria, Cervera Real Estate  
Phone No.: 786-356-4000  
Survey Date: 6/14

#### Comments

Mixed-use retail/office & residential tower in the downtown Miami CBD. The ground floor comprises the 15,000-SF of retail space ranging from 1,060 to 7,260 square foot bays plus 330 to 1,635 square feet of terrace area that is quoted at \$45.00 to \$55.00-PSF on a modified gross basis, net of tenant electric for grey shell. Retail lease-up to date includes Botequim Carioca Brazilian Bar & Grill (open) and Miss Yip Chinese restaurant (open). The Botequim Carioca Brazilian Bar & Grill has been available "for sublease" at \$52.00-PSF, triple net plus key money.

The office space comprises a total of 80,000-SF of "for lease" and "for sale" condominium space on floors 6 through 14, all of which have floor-to-ceiling glass with Biscayne Boulevard & Biscayne Bay frontage. The "for sale" units are priced from \$430.00 to \$525.00-PSF, which is up from \$247.52 to \$422.46-PSF in 2013 for 1,178-SF to 7,700-SF grey shells depending on size & views. The "for lease" space is quoted at \$30.00 to \$35.00 per square foot on a gross basis with tenant buildout allowance performed by the landlord.

The residential component comprises 516-units also "for sale" and "for rent." One, two & three bedroom rentals are quoted in the \$2,100 to \$5,000 per month range of an average of \$2.00-PSF. There is also a penthouse unit available at \$9,000 per month or \$4.00-PSF.

Building features include concierge, 24-hour valet parking, and 3-story lobby area with staffed reception/security station.

## RETAIL COMPARABLE No. 6

### Vizcayne

#### Location Data

Location: 244 Biscayne Boulevard  
Miami, FL 33132  
County: Miami-Dade  
Parcel No: 01-4137-064-0010  
Atlas Ref:

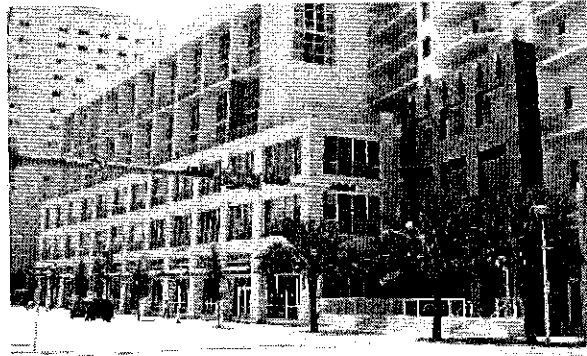
#### Physical Data

Type: Retail Condominium  
Gross Leaseable Area: 53,597 SF  
Year Built: 2008  
Exterior Walls: Masonry  
Condition: Excellent  
Parking: Structured Garage

#### Anchor:

CVS 9,307 SF

Anchor Tenant GLA: 9,307 SF  
Local Tenant GLA: 44,290 SF  
Total GLA: 53,597 SF



#### Lease Data

##### Occupancy:

Local: 64%  
Overall: 70%  
Typical Size: 1,100 SF  
Term: 60 Months  
Base Rent PSF: \$35.00  
Rent Escalations: CPI, 3%-5%  
Basis: Triple net  
Expense Pass-Thru: N/A  
Free Rent: 0 Months  
Tenant Improvement: \$0.00  
Leasing Agent: Jose Franco, Terranova  
Phone No.: (305) 695-8700  
Survey Date: 7/14

#### Comments

This comparable rental represents the ground floor retail space at Vizcayne (formerly Everglades on the Bay), a 42-story, 849-unit residential condominium tower in the Miami CBD. Existing tenants include CVS pharmacy, 100 Montaditos, Jimmy John's Gourmet Sandwiches, Orange Theory Fitness, Press Xpress, The Cafe Papillon, The Learning Experience and Smoothie King. The retail wraps the ground floor with approximately 26,634-SF fronting Biscayne Boulevard and the remainder orientated along the side street. CVS is reportedly paying \$53.72-PSF, triple net, on a 20-year lease that commenced in January 2009.

It should be noted, the former Everglades on the Bay was a failed residential condominium development whereby the construction lender note was sold in November 2010 and the majority of the residential units were converted to rental units. As such, the retail was in a protracted lease-up until 2013 when new ownership & leases were consummated. The residential component comprises 835 to 1,357 square foot units available "for rent" at \$1,912 to \$2,226 per month or \$1.64 to \$2.29 per square foot for one & two bedroom units.

## RETAIL COMPARABLE No. 7

### Met 1 - Retail/Office

#### Location Data

Location: 300 S. Biscayne Boulevard  
Miami, FL 33131  
County: Miami-Dade  
Parcel No: Multiple  
Atlas Ref:

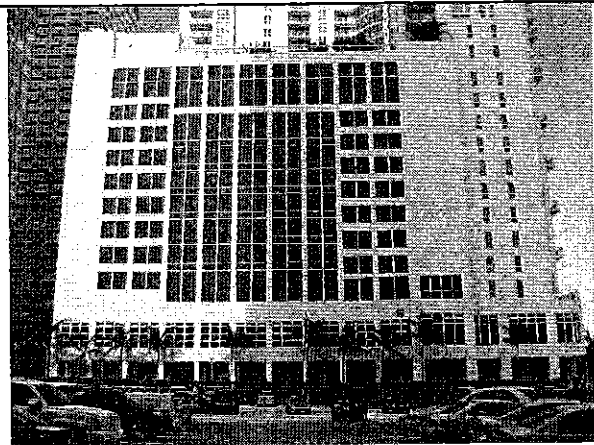
#### Physical Data

Type: Misc. Freestanding Retail  
Gross Leaseable Area: 29,144 SF  
Year Built: 2008  
Exterior Walls: Masonry  
Condition: Excellent  
Parking: None

#### Anchor:

Miami Chop House 8,543 SF  
Marriott Vacation Club 10,380 SF

Anchor Tenant GLA: 18,923 SF  
Local Tenant GLA: 10,221 SF  
Total GLA: 29,144 SF



#### Lease Data

##### Occupancy:

Local: 65%  
Overall: 65%  
Typical Size: 8,000 SF  
Term: 120 Months  
Base Rent PSF: \$50.00  
Rent Escalations: 3%  
Basis: Triple net  
Expense Pass-Thru: \$5.00  
Free Rent:  
Tenant Improvement:  
Leasing Agent: MDM owner/developer  
Phone No.:  
Survey Date: 7/14

#### Comments

The comparable represents five (5) commercial condominium units within the 1st & 2nd floors of the Met One high-rise residential tower located at the core of the downtown Miami central business district (CBD). The residential tower was completed in 2008 with the units delivered in grey shell condition. The property is 29.3% physically occupied by the Chop House restaurant (8,543-SF) and 64.9% leased, including the Marriott Vacation Club sales office in support of the proposed vacation club tower to be developed over the Met Square entertainment component. The first floor restaurant space comprising 7,600-SF and overlooking Met Square is being quoted at \$80.00 to \$85.00 per square foot, triple net plus \$5.00-PSF CAM plus real estate taxes & insurance based on a separate tax folio number. The developer is budgeting \$80.00-PSF in TI allowance for the right restaurant tenant, that also includes patio seating.

## RETAIL COMPARABLE No. 8

### MetSquare

#### Location Data

Location: 300 S.E. 3rd Street  
Miami, FL 33131  
County: Miami-Dade  
Parcel No: 01-0114-030-1130  
Atlas Ref:

#### Physical Data

Type: Movie Theater  
Gross Leaseable Area: 113,508 SF  
Year Built: 2015, Proposed  
Exterior Walls: Concrete  
Condition: New  
Parking: Other

#### Anchor:

Silverspot Cinema 76,237 SF

Anchor Tenant GLA: 76,237 SF  
Local Tenant GLA: 37,271 SF  
Total GLA: 113,508 SF



#### Lease Data

##### Occupancy:

Local: 67%  
Overall: 67%  
Typical Size: 9,000 SF  
Term: 120 Months  
Base Rent PSF: \$80.00  
Rent Escalations: 2.5%  
Basis: Triple net  
Expense Pass-Thru: \$7.98  
Free Rent: 6 Months  
Tenant Improvement: \$80.00  
Leasing Agent: Lyle Stern, Koniver Stern  
Phone No.:  
Survey Date: 7/14

#### Recent Leases

Date	Size (SF)	Tenant	Rent (PSF)	TI (PSF)	Free Rent (Months)	Escalation	Term (Yrs)
6/1/2015	76,237	Silverspot Cinema	\$25.00		5	10% every 5 years	10.00

#### Comments

The comparable rental comprises a 1.20-acre, high density, mixed-use site proposed for retail/restaurant (37,271-SF); a 26-screen multi-plex movie theater (76,237-SF) in a 7-story podium; and, 186 residential/ hotel units (209,526-SF) within a 26-story tower on top of the podium and within the overall Metropolitan Miami development in downtown Miami. The land owner/developer has secured an executed contract lease agreement with Silverspot Cinema for 76,237-SF at \$25.00-PSF, triple net for 10 years plus 3, 5 year options; a letter-of-intent with LDV Hospitality for approximately 21,882-SF at \$80.00-PSF, triple net for ground floor & \$50.00-PSF, triple net for 2nd floor restaurant space; a letter-of-intent with Marriott Vacation Club International for purchase of 98-timeshare units (115,542 -SF) at completion and priced at \$550,560 per unit; plus, an additional 88 residential units as "for sale" condominiums and/or "for rent." The hotel timeshare units and residential units will share the same tower and common areas including a hotel lobby, fitness center and pool area. Because the subject property is intended to interact with other phases of the Metropolitan Miami master plan, the off-street parking requirement is provided for off-site and within Met 3 located across the street and currently under construction with 1,782-spaces within a structured parking garage.

Addendum C

## **GROUND RENTAL DATA SHEETS**

## RETAIL COMPARABLE No. 9

### Wal-Mart Neighborhood Market

#### Location Data

Location: 6991 S.W. 8th Street  
Miami, FL 33144  
County: Miami-Dade  
Parcel No: 01-4002-019-0020, 0040 & 0081  
Atlas Ref:

#### Physical Data

Type: Grocery Store  
Gross Leaseable Area: 54,137 SF  
Year Built: 2014  
Exterior Walls: Tilt-up  
Condition: New  
Parking: Surface

#### Anchor:

Wal-Mart Neighborhood Market 54,137 SF

Anchor Tenant GLA: 54,137 SF  
Local Tenant GLA: 0 SF  
Total GLA: 54,137 SF



#### Lease Data

##### Occupancy:

Local: 100%  
Overall: 100%  
Typical Size: 54,137 SF  
Term: 240 Months  
Base Rent PSF: \$7.39  
Rent Escalations: Flat, 5% steps every option term  
Basis: Absolute net  
Expense Pass-Thru: NNN  
Free Rent:  
Tenant Improvement:  
Leasing Agent: Marianna Levyash, Capital Pacific  
Phone No.:  
Survey Date: 9/14

#### Recent Leases

Date	Size (SF)	Tenant	Rent (PSF)	TI (PSF)	Free Rent (Months)	Escalation	Term (Yrs)
12/30/2014	296,644	Wal-Mart Neighborhood	\$1.35		0	Flat, 5% steps every option	20.00
12/30/2014	54,137	Wal-Mart Neighborhood	\$7.39		0	Flat, 5% steps every option	20.00

#### Comments

This comparable rental represents a single tenant, triple net ground lease investment property that is listed "for sale" at \$10,000,000 and a 4.0% overall capitalization rate. The tenant, Wal-Mart Neighborhood Market is A rated by Standard & Poor's and is secured with a 20 year ground lease plus 12, 5 year option terms with 5% steps every 5 years. The property location is at the northwest quadrant of S.W. 8th Street (Tamiami Trail) and the CSX railroad tracks in the Flagami submarket in west Miami-Dade County. This is an in-fill location just east of the Palmteco Expressway with the downtown Miami and Brickell Financial District located directly to the east.

## RETAIL COMPARABLE No. 10

### CVS Pharmacy

#### Location Data

Location: 1204 S.W. 8th Street  
Miami, FL 33135

County: Miami-Dade

Parcel No: 01-4111-013-0010, 0020, 0030 & 0050

Atlas Ref:

#### Physical Data

Type: Drug Store

Gross Leaseable Area: 14,028 SF

Year Built: 2013

Exterior Walls: Concrete Block

Condition: New

Parking: Surface

#### anchors:

CVS Pharmacy 14,028 SF

Anchor Tenant GLA: 14,028 SF

Local Tenant GLA: 0 SF

Total GLA: 14,028 SF



#### Lease Data

##### Occupancy:

Local: 100%

Overall: 100%

Typical Size: 14,028 SF

Term: 300 Months

Base Rent PSF: \$51.30

Rent Escalations: Flat

Basis: Absolute net

Expense Pass-Thru: NNN

Free Rent:

Tenant Improvement:

Leasing Agent: Stephen E. Gaunt, Cresa

Phone No.:

Survey Date: 9/14

#### Recent Leases

Date	Size (SF)	Tenant	Rent (PSF)	TI (PSF)	Free Rent (Months)	Escalation	Term (Yrs)
12/31/2011	95,396	CVS	\$7.54		0	Flat, 10% at each option terms	25.00
12/31/2011	14,028	CVS	\$51.30		0	Flat 10% at each option term	25.00

#### Comments

This comparable rental represents a single tenant, triple net ground lease investment property that is listed "for sale" at \$12,850,000 or an 5.6% overall capitalization rate. The tenant, CVS is BBB+ rated by Standard & Poor's and is secured with a 25 year ground lease plus 9, 5-year option terms with 10% steps every 5 years. The property location is at a prime, signalized corner intersection in the "Little Havana" submarket and within close proximity to the downtown Miami and Brickell Financial District.

## RETAIL COMPARABLE No. 11

### CVS Pharmacy

#### Location Data

Location: 700 S.W. 27th Avenue  
Miami, FL 33135

County: Miami-Dade

Parcel No: 01-4104-035-0280, 0290,0300,  
0320 to 0360

Atlas Ref:

#### Physical Data

Type: Drug Store

Gross Leaseable Area: 13,057 SF

Year Built: 2014

Exterior Walls: Concrete Block

Condition: New

Parking: Surface

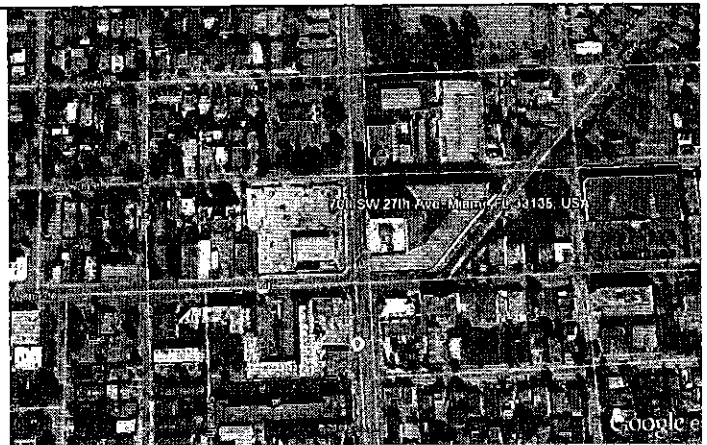
#### Anchor:

CVS Pharmacy 13,057 SF

Anchor Tenant GLA: 13,057 SF

Local Tenant GLA: 0 SF

Total GLA: 13,057 SF



#### Lease Data

##### Occupancy:

Local: 100%

Overall: 100%

Typical Size: 15,048 SF

Term: 300 Months

Base Rent PSF: \$48.18

Rent Escalations: Flat

Basis: Absolute net

Expense Pass-Thru: NNN

Free Rent:

Tenant Improvement:

Leasing Agent: Grant Savage, Pointe Group

Phone No.:

Survey Date: 9/14

#### Recent Leases

Date	Size (SF)	Tenant	Rent (PSF)	TI (PSF)	Free Rent (Months)	Escalation	Term (Yrs)
5/2/2014	77,850	CVS	\$9.31		0	Flat, 10% steps every option	25.00
5/1/2014	13,057	CVS	\$48.18		0	Flat, 10% steps every option	25.00

#### Comments

This comparable rental represents a single tenant, triple net ground lease investment property that is listed "for sale" and unpriced. The tenant, CVS is BBB+ rated by Standard & Poor's and is secured with a 25 year ground lease plus 9, 5 year option terms with 10% steps every 5 years. The property location is at a prime, signalized corner intersection in the "Little Havana" submarket and within reasonably close proximity to the downtown Miami and Brickell Financial District.



## RETAIL COMPARABLE No. 12

### Jungle Island - Ground Lease

#### Location Data

Location: 1111 Parrot Jungle Trail  
Miami, FL 33132  
County: Miami-Dade  
Parcel No: 01-3231-000-0014 & 0016  
Atlas Ref:

#### Physical Data

Type: Other  
Gross Leaseable Area: 69,337 SF  
Year Built: 2003  
Exterior Walls: Concrete Block  
Condition: Good  
Parking: Open and Covered

#### Anchor:

Jungle Island 69,337 SF

Anchor Tenant GLA: 69,337 SF  
Local Tenant GLA: 0 SF  
Total GLA: 69,337 SF



#### Lease Data

##### Occupancy:

Local: 100%  
Overall: 100%  
Typical Size: 69,337 SF  
Term: 540 Months  
Base Rent PSF: \$1.11  
Rent Escalations: % Rent  
Basis: Absolute net  
Expense Pass-Thru: N/A  
Free Rent:  
Tenant Improvement:  
Leasing Agent:  
Phone No.:  
Survey Date: 9/14

#### Recent Leases

Date	Size (SF)	Tenant	Rent (PSF)	TI (PSF)	Free Rent (Months)	Escalation	Term (Yrs)
10/1/2000	701,791	Jungle Island	\$1.11		0	% Rent	45.00
9/21/2000	69,337	Jungle Island	\$11.20		0	% Rent	45.00

#### Comments

This comparable ground lease represents a recreational tourist attraction featuring botanical gardens, wild animal & bird sanctuary and food, beverage & banquet facilities situated on 18.61-acres (gross), of which 16.11-acres is upland area on Watson Island and 2.5-acres is submerged land in Biscayne Bay. The improvements include a main building housing a ticket office, café, gift shop, guest relations, administrative offices, and meeting & banquet facilities; a 638-space, two-level parking garage; three (3) amphitheaters entertainment venues; event pavilions, petting zoo barn, geodesic domes, an aviary, a plant nursery, and miscellaneous out-buildings, including covered & open walkways, plazas, picnic areas, restrooms, an Everglades habitat with water course and animal enclosures. The improvements are situated on land that is leased from the City of Miami for an initial term of 45 years commencing October 1, 2000, plus one, 15 year option term that can be exercised any time after the 39th year. There have been several modifications to the ground lease, including a 48-month rent abatement that is in effect from April 1, 2009 to March 31, 2013.

The current minimum annual rent is the greater of \$400,000, OR, 5% of gross revenues up to \$20,000,000 and 6% of gross revenues in excess of \$20,000,000. The lease is now in its 14th year with 31 years remaining on initial term. In the first 6 months of 2014, the gross sales were reported to be almost \$8.0 million, which would track to a \$15.5 to \$16.0 million annual gross revenue projection for the year. In addition to the aforementioned contract ground rent to the City of Miami by the tenant, Jungle Island, the City is obligated to pay the greater of two annual payments to the Board of Trustees of the Internal Improvement trust Fund of the State of Florida the amount of \$26,250 each, OR, the cumulative total of 0.64% of annual gross ticket sales at Jungle Island; 0.225% of annual gross banquet/restaurant food revenues; and, 0.3% of annual gross retail/gift/concessions sales.

## RETAIL COMPARABLE No. 13

### Bayside Marketplace - Ground Lease

#### Location Data

Location: 401 Biscayne Boulevard  
Miami, FL 33132  
County: Miami-Dade  
Parcel No: 01-0100-000-0525  
Atlas Ref:

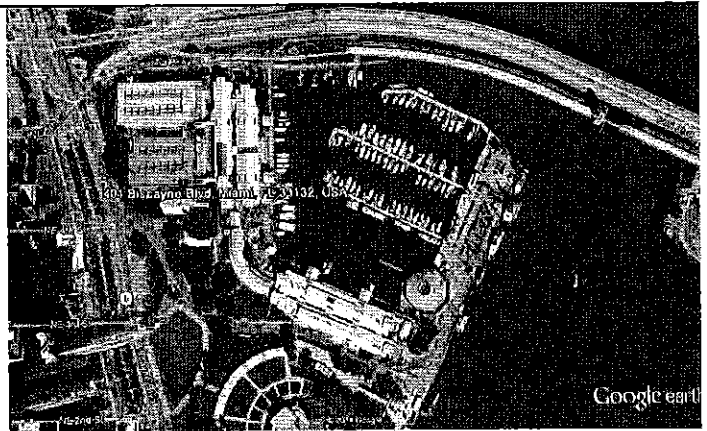
#### Physical Data

Type: Lifestyle Center  
Gross Leaseable Area: 328,413 SF  
Year Built: 1987  
Exterior Walls: Concrete Block  
Condition: Average  
Parking: Structured Garage

#### Anchor:

Bayside Marketplace (GGP) 311,413 SF  
Proposed Expansion 17,000 SF

Anchor Tenant GLA: 328,413 SF  
Local Tenant GLA: 0 SF  
Total GLA: 328,413 SF



#### Lease Data

##### Occupancy:

Local: 100%  
Overall: 100%  
Typical Size: 328,413 SF  
Term: 1188 Months  
Base Rent PSF: \$10.70  
Rent Escalations: % Rent on Gross Revenues  
Basis: Absolute net  
Expense Pass-Thru: N/A  
Free Rent:  
Tenant Improvement:  
Leasing Agent:  
Phone No.:  
Survey Date: 9/14

#### Recent Leases

Date	Size (SF)	Tenant	Rent (PSF)	TI (PSF)	Free Rent (Months)	Escalation	Term (Yrs)
8/24/2014	569,634	Bayside Marketplace (GGP)	\$6.17		0	+15% of Gross Revenues with Breakpoint	99.00
8/23/2014	328,413	Bayside Marketplace	\$10.70		0	+15% of Gross Revenues with Breakpoint	99.00

## RETAIL COMPARABLE No. 13

### Comments

This comparable rental represents the renegotiated ground lease between the City of Miami and General Growth Properties (GGP) for the 13.077-acres of Biscayne Bay front land that was improved with a 311,413-SF lifestyle center/festival marketplace including restaurants, food court, kiosk/carts, temporary tenants, waterfront dining and marina. The prior existing Bayside leases had approximately 46 years remaining on term. The new leases have been extended for by 53 years for a total of 99-years going forward. This includes a lease for an existing 1,200-space parking garage support on an adjacent 3.77-acres. The new lease was approved by the City Commission in June and by voters in August, 2014. As part of the lease negotiations, the city will receive a one-time payment from GGP of \$10 million, plus 3% of the first \$125 million in refinancing for a total payment of \$13.75 million. The new leases increase the allowable height and square footage needed to build SkyRise Miami and the added parking to accommodate the anticipated increase in visitors. The yearly minimum guaranteed rent to the city for both the retail and parking components of Bayside Marketplace and SkyRise Miami (1.85-acre sublease at \$1,200,000 annually) would total \$3,515,082. In exchange for extending the garage lease by 53 years and the right to build more parking spaces, the current annual minimum base rent of \$10,000 would increase to \$916,920 (\$5.58-PSF for 3.77-acre existing garage site) and the percentage rent calculation will be changed from a percentage of the developer's profits to 15% of the gross revenues above a breakpoint of \$6,112,800.

The lease between the city and Bayside also has a Minority Participation Agreement, with the creation of a foundation to administer loan guarantee programs for venture capital loans to minority business enterprises, create a vocational/educational scholarship fund for minorities and provide technical assistance and resources to local community development corporations engaged in economic development of minority business enterprises. The Miami Bayside Foundation Inc. was created as a result of the original agreement in the early 1980s and called on Bayside to contribute the greater of 10% of the Net Income Available for Distribution, as defined in the lease, or \$100,000 a year. The new lease and agreement does away with the calculation of the Net Income Available for Distribution and requires Bayside to make an annual payment to the foundation of \$350,000, with annual increases of 2%. According to city officials, Bayside and SkyRise Miami LLC also have each promised to contribute \$100,000 a year or a total of \$200,000 to the Liberty City Revitalization Trust Fund, for economic development in the city's poorest district. The final version of the new minority agreement also specifies that at least 50% of the renovation work would go to minorities, who would be paid \$10.58 to \$11.83 an hour. Bayside agreed to seek these workers initially from the five area zip codes with the highest unemployment rates.

City of Miami residents voted to extend the existing leases from 46 to 99 years with Bayside Marketplace LLC, conditioned on the increased lease payments to the City, the promise of a minimum of \$27 million in improvements to Bayside, increased parking, increased contribution to the minority foundation, and development of the privately-funded 1,000-foot tall observation tower, a.k.a. SkyRise Miami. SkyRise Miami is a \$400 million proposed observation tower and tourist attraction site planned at the tip of the marina pier. The tower will be a hair-pin shape with observation decks, an upscale restaurant, a ballroom and a high altitude thrill ride attraction. The tower height is permitted by a Class 2 Permit zoning approval that is grandfathered in and was adopted prior to Miami 21 regulations.

It was projected by Berkowitz Development Group that 3.2 million visitors a year to SkyRise Miami, which would make it the largest attraction in South Florida and fifth largest in Florida. Berkowitz Development is also responsible for relocating utility lines and reconstructing catwalks & slips that support the marina at a cost budget of \$10 million. The targeted opening for SkyRise is late 2017.

Addendum D

## **LEGAL DESCRIPTION**

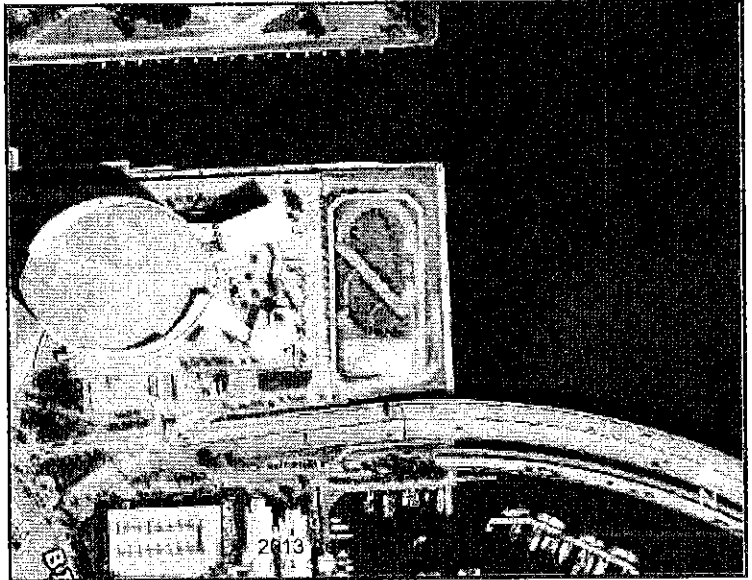


# OFFICE OF THE PROPERTY APPRAISER

## Summary Report

Generated On : 9/17/2014

Property Information	
Folio:	01-3231-055-0020
Property Address:	400 NE BST
Owner	MIAMI-DADE COUNTY GSA R/E MGMT
Mailing Address	111 NW 1 ST STE 2460 MIAMI, FL33128-1929
Primary Zone	8002 PARKS & RECREATION
Primary Land Use	8066 VACANT GOVERNMENTAL : EXTRA FEA OTHER THAN PARKING
Beds / Baths / Half	0 / 0 / 0
Floors	0
Living Units	0
Actual Area	0 Sq.Ft
Living Area	0 Sq.Ft
Adjusted Area	0 Sq.Ft
Lot Size	120,485 Sq.Ft
Year Built	0



Assessment Information			
Year	2014	2013	2012
Land Value	\$10,843,650	\$6,626,675	\$6,626,675
Building Value	\$0	\$0	\$0
XF Value	\$27,820	\$28,118	\$29,465
Market Value	\$10,871,470	\$6,654,793	\$6,656,140
Assessed Value	\$7,320,272	\$6,654,793	\$6,656,140

Benefits Information				
Benefit	Type	2014	2013	2012
Non-Homestead Cap	Assessment Reduction	\$3,551,198		
County	Exemption	\$7,320,272	\$6,654,793	\$6,656,140

Note: Not all benefits are applicable to all Taxable Values (i.e. County, School Board, City, Regional).

Short Legal Description	
MARITIME ARENA PB 154-37 T-20152 TR B LOT SIZE 2.766 AC M/L FAU 01-0100-000-0121	

Taxable Value Information			
	2014	2013	2012
County			
Exemption Value	\$7,320,272	\$6,654,793	\$6,656,140
Taxable Value	\$0	\$0	\$0
School Board			
Exemption Value	\$10,871,470	\$6,654,793	\$6,656,140
Taxable Value	\$0	\$0	\$0
City			
Exemption Value	\$7,320,272	\$6,654,793	\$6,656,140
Taxable Value	\$0	\$0	\$0
Regional			
Exemption Value	\$7,320,272	\$6,654,793	\$6,656,140
Taxable Value	\$0	\$0	\$0

Sales Information			
Previous Sale	Price	OR Book-Page	Qualification Description

The Office of the Property Appraiser is continually editing and updating the tax roll. This website may not reflect the most current information on record. The Property Appraiser and Miami-Dade County assumes no liability, see full disclaimer and User Agreement at <http://www.miamidade.gov/info/disclaimer.asp>

Version:

101

9/17/2014

Addendum E

## **PRECIS METRO REPORT - ECONOMY.COM, INC.**

## MIAMI-MIAMI BEACH-KENDALL FL

Data Buffet® MSA code: DMMIA

## ECONOMIC DRIVERS



## EMPLOYMENT GROWTH RANK



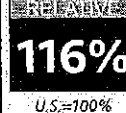
Best=1, Worst=392

## RELATIVE COSTS



U.S.=100%

## VITALITY



U.S.=100%

Best=1, Worst=384

## BUSINESS CYCLE STATUS



## ANALYSIS

**Recent Performance.** Miami-Miami Beach-Kendall is recovering, but low-income jobs are leading growth, keeping the economy from getting fully back on track. Low-paying positions in hospitality and retail such as those at the recently expanded Dadeland Mall make up less than one-fifth of all jobs in MIA but account for one-third of the total created over the last year. Although total payroll employment is at an all-time high and rising at a healthy 3% per year, household employment remains below its prerecession peak and is inching ahead only slowly. This difference suggests that more workers are employed in multiple part-time jobs and are being double-counted in the payroll survey. However, relief is coming to the area's underemployed workforce, especially its builders and contractors. A sustained recovery in housing and massive new development projects should spark a robust jobs recovery in the intermediate term.

**Housing.** MIA is enjoying a widespread recovery in its housing market, and this growth will continue. According to the Miami Association of Realtors, sales and the median house price increased in June by 9.5% and 6%, respectively, over last year. Both gains slightly surpassed the statewide pace. House prices in MIA have risen by 39% since they touched their lowest point in the first quarter of 2011, with prices in the poorest ZIP codes rising more quickly during that time than prices in the wealthiest areas. Rising house prices contribute to economic growth by creating wealth, encouraging consumer spending, and enabling labor force mobility as fewer homeowners are tied down by underwater mortgages. The local housing recovery will continue to reach every corner of the region, but it will take another decade of steady gains before homeowners regain all of the home equity lost during the Great Recession.

**Transit hub.** Transportation enhancements have the potential to spur new development

and boost the area's growth prospects. An enormous train depot is under development in downtown MIA. Developers say that the train station, which will provide a link with MIA's intercity rail system, will support 2,100 construction jobs and 400 permanent positions. All Aboard Florida, the group that is planning to build the \$2.3 billion passenger railway linking South Florida with Central Florida by 2017, recently unveiled plans for its terminal in the metro division, which will be the system's crown jewel. The train system will give tourists in Orlando more convenient access to MIA, creating more local jobs and income in leisure and hospitality.

**Miami Worldcenter.** Commercial development also enhances MIA's growth potential. Developers recently submitted plans to the City of Miami for the first phase of the multibillion-dollar 30-acre Miami Worldcenter development. The early phase will support 19,500 temporary construction jobs and 14,000 permanent positions. This mixed-use project will accelerate the transformation of the central business district from a nine-to-five downtown to a more vibrant 24-hour community, and further rejuvenate population growth in the city's core. The project, which will break ground in the fourth quarter, will eventually include an 1,800-room Marriott Marquis hotel, 1 million square feet of retail space anchored by Bloomingdale's and Macy's, and 1,000 residential units.

**In the near term,** Miami-Miami Beach-Kendall will grow in line with the nation thanks to strength in construction and distribution and the metro division's international linkages. Over the forecast horizon, MIA's international ties, coupled with infrastructure expansion, will enable it to outperform the nation.

Kwame Donaldson  
July 2014

1-866-275-3266  
help@economy.com

## STRENGTHS &amp; WEAKNESSES

## STRENGTHS

- » Strong ties to Latin America.
- » Luxury status attracts international capital.
- » International trade poised to accelerate.
- » Well-developed shipping and distribution infrastructure.

## WEAKNESSES

- » High household debt burden.
- » Congested roads and airport.
- » Industrial structure that leaves economy susceptible to business cycle downturns.

## FORECAST RISKS

SHORT TERM	LONG TERM
↑	↑
<b>RISK EXPOSURE</b> 2014-2019	<b>80</b> 2nd quintile Highest=7 Lowest=384

## UPSIDE

- » International ties boost construction, finance and trade by more than expected.
- » Commercial development and transit hub shift MIA's growth path upward.
- » Stronger population growth.

## DOWNSIDE

- » Foreclosures undermine house prices.
- » International immigration is weaker.
- » Dollar strengthens, restraining international tourism.

## MOODY'S RATING

Aa2

COUNTY  
AS OF NOV 25, 2013

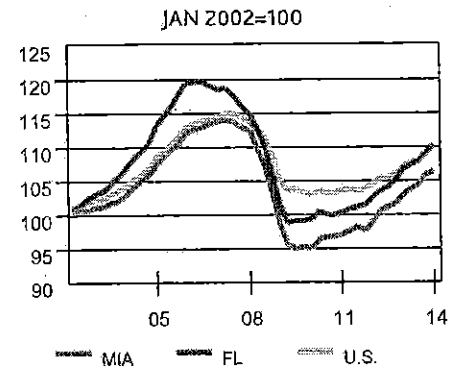
2008	2009	2010	2011	2012	2013	INDICATORS	2014	2015	2016	2017	2018	2019
111.3	104.8	104.1	104.4	106.7	108.3	Gross metro product (C09\$ bil)	109.3	111.5	113.8	115.5	116.5	116.7
-3.7	-5.8	-0.7	0.3	2.2	1.5	% change	0.9	2.0	2.1	1.5	0.8	0.2
1,047.4	988.6	985.1	1,007.5	1,031.5	1,058.3	Total employment (th)	1,087.6	1,111.6	1,139.8	1,159.8	1,168.7	1,172.1
-1.8	-5.6	-0.4	2.3	2.4	2.6	% change	2.8	2.2	2.5	1.8	0.8	0.3
6.3	11.3	12.4	11.3	9.5	8.4	Unemployment rate (%)	7.2	6.7	5.8	5.1	4.6	4.6
1.9	-3.0	4.7	6.5	2.9	3.4	Personal income growth (%)	6.0	6.6	6.8	6.1	4.9	4.2
44.0	41.2	40.5	40.6	41.5	43.1	Median household income (\$ th)	44.7	46.4	48.1	49.8	51.2	52.4
2,436.1	2,463.9	2,504.8	2,566.7	2,592.7	2,617.2	Population (th)	2,630.4	2,650.8	2,677.8	2,718.1	2,762.3	2,805.7
0.8	1.1	1.7	2.5	1.0	0.9	% change	0.5	0.8	1.0	1.5	1.6	1.6
-6.6	13.4	27.1	48.6	13.7	11.0	Net migration (th)	1.9	9.3	16.0	29.4	33.4	32.9
1,086	624	941	962	1,819	2,266	Single-family permits (#)	2,143	4,299	6,413	6,887	6,471	6,258
2,388	771	2,262	1,656	3,250	8,050	Multifamily permits (#)	6,112	7,655	9,086	8,293	7,709	7,626
287.1	194.8	189.9	171.6	193.0	234.8	Existing-home price (\$ th)	256.5	266.2	274.3	280.6	288.2	296.7

### ECONOMIC HEALTH CHECK

	Jan 14	Feb 14	Mar 14	Apr 14	May 14	Jun 14
Employment, change, ths	3.3	3.1	1.7	5.5	2.6	2.3
Unemployment rate, %	7.1	7.0	7.3	7.2	7.4	7.2
Labor force participation rate, %	60.5	60.5	60.4	60.1	60.2	60.3
Employment-to-population ratio, %	56.2	56.2	56.0	55.8	55.7	55.9
Average weekly hours, #	34.6	34.7	34.8	34.6	34.8	35.0
Industrial production, 2007=100	97.6	98.0	99.1	99.2	99.6	ND
Residential permits, single-family, #	1,193	1,650	1,302	1,698	1,414	2,099
Residential permits, multifamily, #	3,638	12,765	1,689	4,685	7,305	3,368
	Better than prior 3-mo MA	Unchanged from prior 3-mo MA	Worse than prior 3-mo MA			

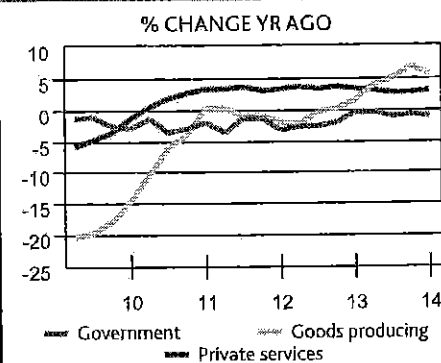
Sources: BLS, Census Bureau, Moody's Analytics

### BUSINESS CYCLE INDEX



Source: Moody's Analytics

### CURRENT EMPLOYMENT TRENDS



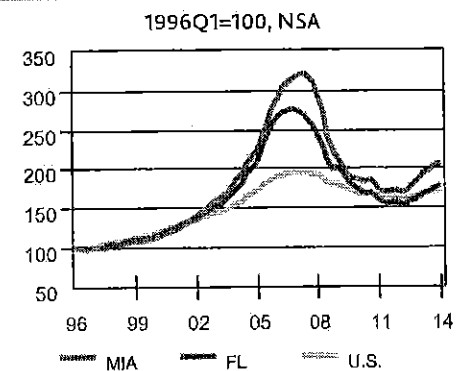
Sources: BLS, Moody's Analytics

% CHANGE YR AGO, 3-MO MA

	Oct 13	Feb 14	Jun 14
Total	2.4	2.9	3.1
Construction	10.2	7.2	9.3
Manufacturing	1.5	5.1	5.1
Trade	2.5	3.9	3.2
Trans/Utilities	1.3	2.6	2.4
Information	1.2	0.9	1.1
Financial Activities	3.4	3.4	4.3
Prof & Business Svcs.	4.8	3.4	3.3
Edu & Health Svcs.	1.0	2.3	2.8
Leisure & Hospitality	3.5	3.0	4.3
Other Services	2.5	4.9	6.6
Government	-1.1	-0.9	-0.9

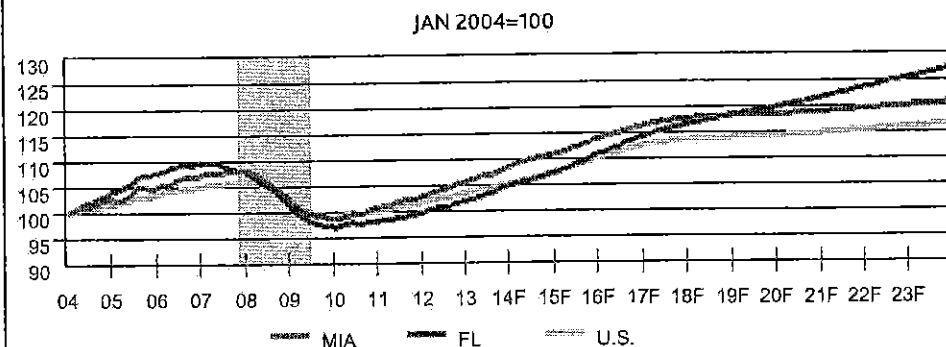
Sources: BLS, Moody's Analytics

### HOUSE PRICE



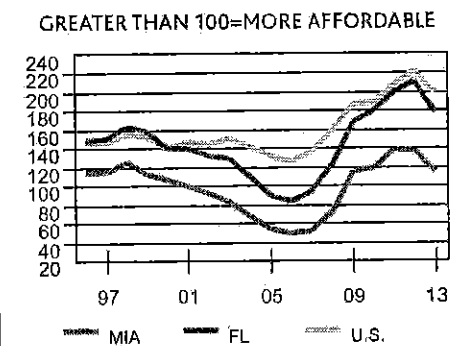
Sources: FHFA, Moody's Analytics

### RELATIVE EMPLOYMENT PERFORMANCE



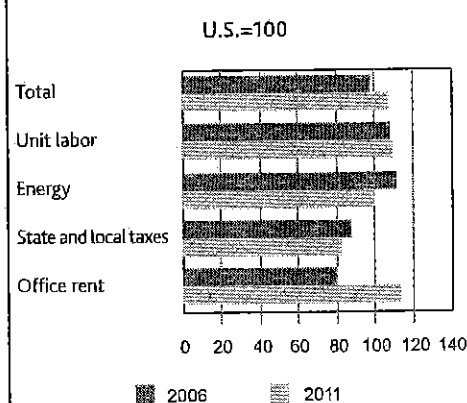
Sources: BLS, Moody's Analytics

### HOUSING AFFORDABILITY INDEX



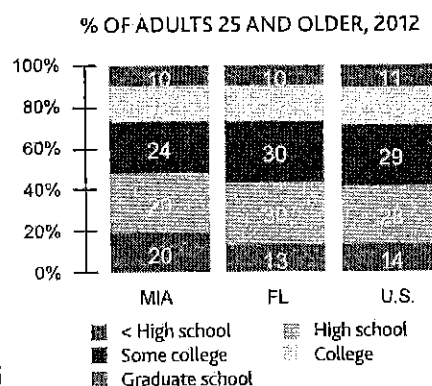
Sources: NAR, Moody's Analytics

### BUSINESS COSTS



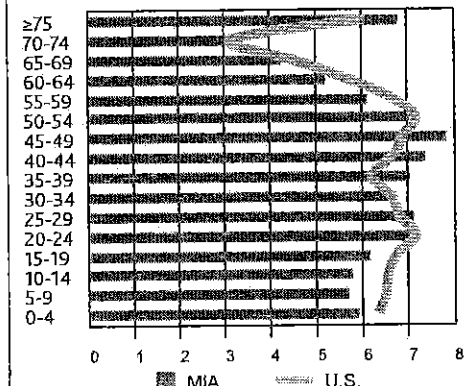
Source: Moody's Analytics

### EDUCATIONAL ATTAINMENT



Sources: Census Bureau, Moody's Analytics

### POPULATION BY AGE, %



Sources: Census Bureau, Moody's Analytics



## EMPLOYMENT & INDUSTRY

### TOP EMPLOYERS

Baptist Health Systems of Southern Florida	14,627
University of Miami	13,428
Publix Supermarkets Inc.	12,000
Jackson Health System	10,010
American Airlines	9,939
Miami-Dade Community College	6,787
AT&T	6,629
Wells Fargo & Co.	5,100
American Sales & Management	3,500
Macy's of Florida	3,368
Miami Children's Hospital	3,345
Royal Caribbean Intl./ Celebrity Cruise	3,331
Mount Sinai Medical Center	3,221
JPMorgan Chase & Co.	3,200
Florida Power & Light Co.	3,178
Florida International University	3,132
Carnival Cruise Lines	3,065
Winn-Dixie Stores Inc.	3,000
HCA	2,412
Veterans Affairs Medical Center	2,300

Sources: Guide to Military Installations, 2011, South Florida Business Journal, 2014, The Beacon Council, April 2007

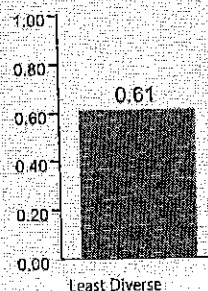
### PUBLIC

Federal	19,913
State	17,470
Local	102,502

2013

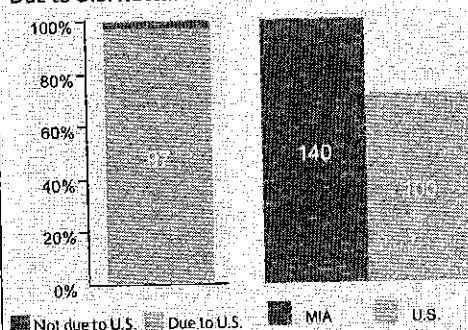
### INDUSTRIAL DIVERSITY

Most Diverse (U.S.)



### EMPLOYMENT VOLATILITY

Due to U.S. fluctuations Relative to U.S.



Not due to U.S. Due to U.S. MIA U.S.

## MIGRATION FLOWS

### INTO MIAMI, FL

NUMBER OF MIGRANTS

Fort Lauderdale, FL	24,398
New York, NY	4,588
Tampa, FL	3,895
West Palm Beach, FL	3,813
Orlando, FL	3,482
Atlanta, GA	2,407
Cape Coral, FL	1,880
Jacksonville, FL	1,275
Naples, FL	1,060
Los Angeles, CA	1,042
Total in-migration	86,376

### FROM MIAMI, FL

Fort Lauderdale, FL	30,191
West Palm Beach, FL	3,702
New York, NY	3,575
Orlando, FL	3,444
Tampa, FL	3,137
Atlanta, GA	2,330
Cape Coral, FL	1,588
Washington, DC	1,083
Jacksonville, FL	1,062
Houston, TX	1,055
Total out-migration	81,778

Net migration

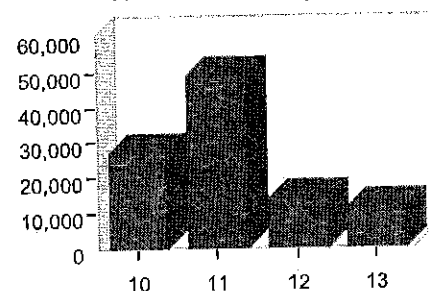
4,598

## COMPARATIVE EMPLOYMENT AND INCOME

Sector	% of Total Employment			Average Annual Earnings		
	MIA	FL	U.S.	MIA	FL	U.S.
Mining	0.0%	0.1%	0.6%	\$54,443	\$34,364	\$126,685
Construction	3.2%	4.9%	4.3%	\$52,590	\$46,660	\$58,586
Manufacturing	3.4%	4.2%	8.8%	\$52,614	\$65,954	\$77,169
Durable	56.3%	66.8%	62.8%	nd	\$69,307	\$78,430
Nondurable	43.7%	33.2%	37.2%	nd	\$59,698	\$75,058
Transportation/Utilities	6.0%	3.3%	3.7%	\$58,835	\$53,187	\$64,250
Wholesale Trade	6.9%	4.2%	4.2%	\$77,882	\$74,743	\$79,805
Retail Trade	13.1%	13.3%	11.1%	\$34,845	\$32,029	\$32,229
Information	1.7%	1.8%	2.0%	\$84,272	\$74,962	\$96,294
Financial Activities	6.8%	6.8%	5.8%	\$39,852	\$33,145	\$47,849
Prof. and Bus. Services	13.9%	14.7%	13.6%	\$50,986	\$49,558	\$63,688
Educ. and Health Services	15.4%	14.9%	15.5%	\$49,846	\$50,073	\$51,543
Leisure and Hosp. Services	11.9%	13.7%	10.4%	\$32,275	\$27,442	\$24,522
Other Services	4.4%	4.0%	4.0%	\$23,803	\$28,785	\$33,733
Government	13.2%	14.2%	16.0%	\$75,476	\$68,543	\$71,281

Sources: Percent of total employment — BLS, Moody's Analytics, 2013, Average annual earnings — BEA, Moody's Analytics, 2012

### NET MIGRATION, #

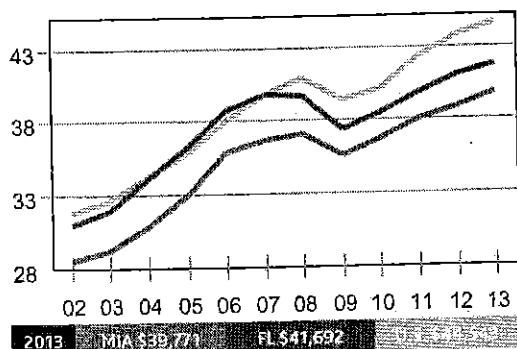


	2010	2011	2012	2013
Domestic	-6,275	18,805	-17,618	-21,064
Foreign	33,403	29,809	31,283	32,104
Total	27,129	48,614	13,665	11,040

Sources: IRS (top), 2011, Census Bureau, Moody's Analytics

## PER CAPITA INCOME

\$ THS



Sources: BEA, Moody's Analytics

### HIGH-TECH EMPLOYMENT

	Ths	% of total
MIA	25.8	2.4
U.S.	6,431.1	4.7

### HOUSING-RELATED EMPLOYMENT

	Ths	% of total
MIA	92.8	8.8
U.S.	12,401.4	9.1

Source: Moody's Analytics, 2013

## LEADING INDUSTRIES BY WAGE TIER

NAICS Industry	Location Quotient	Employees (ths)
6211 Offices of physicians	1.2	23.1
5411 Legal services	2.6	23.1
GVF Federal Government	0.9	19.2
5221 Depository credit intermediation	1.1	14.9
GVL Local Government	0.9	101.7
6221 General medical and surgical hospitals	1.3	44.2
GVS State Government	0.4	17.7
4811 Scheduled air transportation	4.3	14.2
7211 Traveler accommodation	2.1	29.2
4451 Grocery stores	1.2	24.9
4481 Clothing stores	2.2	18.5
5613 Employment services	0.6	17.2

Source: Moody's Analytics, 2014

# About Moody's Analytics

## Economic & Consumer Credit Analytics

Moody's Analytics helps capital markets and credit risk management professionals worldwide respond to an evolving marketplace with confidence. Through its team of economists, Moody's Analytics is a leading independent provider of data, analysis, modeling and forecasts on national and regional economies, financial markets, and credit risk.

Moody's Analytics tracks and analyzes trends in consumer credit and spending, output and income, mortgage activity, population, central bank behavior, and prices. Our customized models, concise and timely reports, and one of the largest assembled financial, economic and demographic databases support firms and policymakers in strategic planning, product and sales forecasting, credit risk and sensitivity management, and investment research. Our customers include multinational corporations, governments at all levels, central banks and financial regulators, retailers, mutual funds, financial institutions, utilities, residential and commercial real estate firms, insurance companies, and professional investors.

Our web periodicals and special publications cover every U.S. state and metropolitan area; countries throughout Europe, Asia and the Americas; the world's major cities; and the U.S. housing market and other industries. From our offices in the U.S., the United Kingdom, the Czech Republic and Australia, we provide up-to-the-minute reporting and analysis on the world's major economies.

Moody's Analytics added Economy.com to its portfolio in 2005. Now called Economic & Consumer Credit Analytics, this arm is based in West Chester PA, a suburb of Philadelphia, with offices in London, Prague and Sydney. More information is available at [www.economy.com](http://www.economy.com).

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Addendum F

## **QUALIFICATIONS**

**QUALIFICATIONS OF**

**STUART J. LIEBERMAN, MAI**

**Vice President**

**Retail, Office, Industrial & Multi-Housing Specialist**

CBRE, Inc., Valuation and Advisory Services  
777 Brickell Avenue, Suite 910  
Miami, Florida 33131  
(305) 381-6472  
stuart.lieberman@cbre.com

**EDUCATIONAL**

BA, Political Science, University of South Florida, Tampa, Florida - 1985  
Appraisal Institute, American Institute of Real Estate Appraisers, Society of Real Estate Appraisers and  
Florida Real Estate Commission core courses, electives and seminars  
LEED for New Construction Technical Review Workshop – October 11, 2007

**PROFESSIONAL LICENSES/CERTIFICATIONS**

Registered Real Estate Broker – Associate - State of Florida BK - 0477878  
Certified General Real Estate Appraiser – State of Florida RZ - 1074

**PROFESSIONAL AFFILIATIONS**

MAI, Designation No. 12003

**APPOINTMENTS**

Present            Treasurer, North Orchard at Forest Ridge Home Owners Association

**EMPLOYMENT EXPERIENCE**

Real Estate Appraisal and Consulting experience throughout the State of Florida and in the Caribbean.

2005 to Present	CBRE, Inc., Valuation & Advisory Services	Miami, FL
1995 to 2005	American Realty Consultants, Inc.	Davie, FL
1986 to 1994	Clobus Valuation Co., Inc.	Fort Lauderdale, FL
1986	M.J. Saxon & Associates	Plantation, FL

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IC#667262

STATE OF FLORIDA

DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION  
FLORIDA REAL ESTATE APPRAISAL BD

SEQ# L12110901351

DATE	BATCH NUMBER	LICENSE NBR
11/09/2012	128143259	RZ1074

The CERTIFIED GENERAL APPRAISER  
Named below IS CERTIFIED  
Under the provisions of Chapter 475 FS.  
Expiration date: NOV 30, 2014

LIEBERMAN, STUART JAY  
777 BRICKELL AVE  
STE 910  
MIAMI

FL 33131

RICK SCOTT  
GOVERNOR

109  
DISPLAY AS REQUIRED BY LAW

KEN LAWSON  
SECRETARY

**QUALIFICATIONS OF**

**JAMES E. AGNER, MAI, SGA, MRICS**  
**Managing Director – Florida/Caribbean**  
**National Director - Net Lease Valuation Group**  
**National Director – Golf Valuation Group**

CBRE, Inc., Valuation and Advisory Services  
777 Brickell Avenue, Suite 910  
Miami, Florida 33131  
(305) 381-6480

**EDUCATIONAL**

BS, Marketing, Florida State University, Tallahassee, Florida - 1981

Real Estate Major, Florida Atlantic University - 1984

Appraisal Institute

Appraisal Institute Courses 1A and 1B. Attended numerous educational seminars sponsored by the Appraisal Institute including Standards of Professional Practice, Market and Feasibility Studies for Shopping Centers, USPAP Florida State Law, Public Safety and Property Values and Real Estate Valuation in the Appraisal Industry.

**LICENSE(S)/CERTIFICATION(S)**

Registered Real Estate Broker-Salesman; State of Florida (No. BL0404088)

Certified General Appraiser; State of Florida (No. RZ382)

Certified General Real Property Appraiser; State of Georgia (No.345321)

**PROFESSIONAL**

Appraisal Institute - Designated Member (MAI), Certificate No. 7791 (1988)

South Florida Chapter of Appraisal Institute Board of Directors (Past Director)

Society of Golf Appraisers – Designated Member (SGA) – 2005

Royal Institution of Chartered Surveyors - Designated Member (MRICS), Cert. No. 7505662 (2014)

Qualified Expert Witness

Circuit Courts - State of Florida

United States Bankruptcy Courts

**EMPLOYMENT EXPERIENCE**

Thirty-three years of Real Estate Appraisal and Consulting experience throughout the State of Florida and in the Caribbean.

1995-Present	CBRE, Inc. -	Miami, FL
	Valuation and Advisory Services – Managing Director Florida/Caribbean	
4/95 to 10/95	Coastal Appraisal Services	Naples, FL
1985 to 1995	Quinlivan Appraisal & Consulting	South Miami, FL
1984 to 1985	Raymond Kaiser Engineer	Ft. Lauderdale, FL
1981 to 1984	Florida Dept. of Transportation	Ft. Lauderdale, FL

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# STATE OF FLORIDA

DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

FLORIDA REAL ESTATE APPRAISAL BD  
1940 N. MONROE ST.  
TALLAHASSEE FL 32399-0783

850-487-1395

AGNER, JAMES E  
13900 NW 20TH STREET  
PEMBROKE PINES FL 33028

Congratulations! With this license you become one of the nearly one million Floridians licensed by the Department of Business and Professional Regulation. Our professionals and businesses range from architects to yacht brokers, from boxers to barbeque restaurants, and they keep Florida's economy strong.

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STATE OF FLORIDA AC# 635738  
DEPARTMENT OF BUSINESS AND  
PROFESSIONAL REGULATION

RZ382

09/11/12 128076619

CERTIFIED GENERAL APPRAISER  
AGNER, JAMES E

IS CERTIFIED under the provisions of Ch. 475 F.  
Expiration date: NOV 30, 2014 L12091104179

DETACH HERE

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IC# 6357384

## STATE OF FLORIDA

DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION  
FLORIDA REAL ESTATE APPRAISAL BD

SEQ# L12091104179

DATE	BATCH NUMBER	LICENSE NBR
09/11/2012	128076619	RZ382

The CERTIFIED GENERAL APPRAISER  
Named below IS CERTIFIED  
Under the provisions of Chapter 475 FS.  
Expiration date: NOV 30, 2014

AGNER, JAMES E  
777 BRICKELL AVE  
SUITE 910  
MIAMI

FL 33131

RICK SCOTT  
GOVERNOR

KEN LAWSON  
SECRETARY

DISPLAY AS REQUIRED BY LAW




# MEMORANDUM

(Revised)

**TO:** Honorable Chairman Jean Monestime  
and Members, Board of County Commissioners

**DATE:** May 19, 2015

**FROM:**   
R. A. Cuevas, Jr.  
County Attorney

**SUBJECT:** Agenda Item No. 8(F)(3)

Please note any items checked.

- ☐ "3-Day Rule" for committees applicable if raised
- ☐ 6 weeks required between first reading and public hearing
- ☐ 4 weeks notification to municipal officials required prior to public hearing
- ☐ Decreases revenues or increases expenditures without balancing budget
- ☐ Budget required
- ☐ Statement of fiscal impact required
- ☐ Ordinance creating a new board requires detailed County Mayor's report for public hearing
- ☐ No committee review
- ☐ Applicable legislation requires more than a majority vote (i.e., 2/3's \_\_\_\_, 3/5's \_\_\_\_, unanimous \_\_\_\_ ) to approve
- ☐ Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required



Approved \_\_\_\_\_ Mayor  
Veto \_\_\_\_\_  
Override \_\_\_\_\_

Agenda Item No. 8(F)(3)  
5-19-15

RESOLUTION NO. \_\_\_\_\_

RESOLUTION RESCINDING ADMINISTRATIVE ORDER 8-5  
RELATED TO PERMISSION TO CONDUCT PRIVATE  
BUSINESS ON PUBLIC PROPERTY; APPROVING  
IMPLEMENTING ORDER 8-5 RELATED TO PERMISSION TO  
CONDUCT PRIVATE BUSINESS ON PUBLIC PROPERTY  
AND ESTABLISHING A FEE SCHEDULE FOR PARCEL B;  
AND AUTHORIZING COUNTY MAYOR OR COUNTY  
MAYOR'S DESIGNEE TO EXERCISE ANY AND ALL  
RIGHTS CONFERRED THEREIN

**WHEREAS**, this Board desires to accomplish the purpose outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA**, that this Board rescinds Administrative Order 8-5 and approves Implementing Order 8-5 related to permission to conduct private business on public property and establishing a fee schedule for use of Parcel B, in substantially the form attached hereto; and authorizes the County Mayor or County Mayor's designee to exercise any and all rights conferred in the Implementing Order.

The foregoing resolution was offered by Commissioner  
who moved its adoption. The motion was seconded by Commissioner  
and upon being put to a vote, the vote was as follows:

Jean Monestime, Chairman	
Esteban L. Bovo, Jr., Vice Chairman	
Bruno A. Barreiro	Daniella Levine Cava
Jose "Pepe" Diaz	Audrey M. Edmonson
Sally A. Heyman	Barbara J. Jordan
Dennis C. Moss	Rebeca Sosa
Sen. Javier D. Souto	Xavier L. Suarez
Juan C. Zapata	

The Chairperson thereupon declared the resolution duly passed and adopted this 19<sup>th</sup> day of May, 2015. This resolution shall become effective upon the earlier of (1) 10 days after the date of its adoption unless vetoed by the County Mayor, and if vetoed, shall become effective only upon an override by this Board, or (2) approval by the County Mayor of this Resolution and the filing of this approval with the Clerk of the Board.

MIAMI-DADE COUNTY, FLORIDA  
BY ITS BOARD OF  
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: \_\_\_\_\_  
Deputy Clerk

Approved by County Attorney as  
to form and legal sufficiency.

GBL

Geri Bonzon-Keenan

I.O. No.: 8-5  
Ordered: ~~12/7/99~~  
Effective: ~~12/47/99~~

MIAMI-DADE COUNTY  
IMPLEMENTING ORDER

PERMISSION TO CONDUCT PRIVATE BUSINESS ON PUBLIC PROPERTY AND FEE  
SCHEDULE FOR PARCEL B

**AUTHORITY:**

~~Section 4.02 of the Miami-Dade County Charter, Sections 1.01 and 2.02 of the Miami-Dade County Charter; Section 21-29.1 of the Miami-Dade County Code, Chapter 125.38 of the Florida Statutes.~~

**SUPERSEDES:**

~~This Administrative Implementing Order supersedes previous Administrative Order No. 8-5, ordered and effective December 19, 1989 December 7, 1999 and effective December 17, 1999.~~

**POLICY:**

The Miami-Dade County Code provides that "It shall be unlawful for any person, firm, corporation or other legal entity to engage in any private business, commercial activity, or to undertake to provide any service for compensation, or to advertise or display merchandise, or to transact any business for profit, or to solicit business, on any property or facilities owned or operated by Miami-Dade County without first obtaining a permit, concession, lease, or other authorization in writing approved or authorized by Board of County Commissioners. A County occupational license shall not authorize any person, firm, corporation or other legal entity to engage in any of the prohibited activities on County property or facilities."

**PURPOSE:**

The purpose of this Implementing Administrative Order is to provide for a specific administrative process whereby permits to conduct private business on County property may be applied for and approved. Concessions, leases and other types of contractual agreements are normally authorized through a competitive process and their issuance is not addressed in this Administrative Implementing Order. The permit process outlined herein is not intended in any way to diminish the County's long-established competitive bidding process. Additionally, this Implementing Order establishes a daily fee schedule for the County's Parcel B property, located at 400 N.E. 8th Street, Miami, Florida, ("Parcel B") whereby the appropriate daily fee will be made payable to Miami-Dade County, Internal Services Department (ISD), or the successor department, upon the approval of any and all permits or licenses for the use of Parcel B.

**PROCEDURE:**

Persons or firms desiring to conduct private business on County property shall make application to the department director who is responsible for the property of interest. If the applicant is unclear as to the responsible department or if the property falls under the jurisdiction of more than one department, the request should be made directly to the County Manager Mayor or County Mayor's designee. All requests for use of Parcel B should be made directly to the director of the Internal Services Department (ISD).

Department directors shall be responsible for preparing and distributing appropriate application forms; said forms, should requesting, at a minimum, the information below:

- Name of organization, firm or individual
- Mailing address
- Represented by
- Phone Number
- Description of intended use, type of business or scope of operation
- County facility/property requested for proposed activity
- Period of requested use, including dates, days of the week and hours of the day
- Not-for-profit status of organization. If not-for-profit, state the intended uses of the proceeds from the permitted activity.
- Completed and executed disclosure form required by Section 2-8.1(d) of the County Code
- Estimated costs for County services:
  - o Rental Charge
  - o Utilities
  - o Maintenance/Clean-up
  - o Security
  - o Administrative Support
  - o Other (including lost revenue)
- Description of any restrictions on the manner of use of County facility/property
- Signed statement acknowledging that the applicant has obtained all required licenses, permits and insurance as required by law, code, etc., and will indemnify and hold the County harmless for any liability arising out of negligence on the part of the permit holder (contact GSA/ the ISD Risk Management Division, for advice ~~and assistance, if necessary~~ appropriate insurance requirements).

A completed copy of the above information and the department director's recommendation must be submitted for approval to the County Manager Mayor or County Mayor's designee, except for permits issued pursuant to a blanket-type approval.

#### **APPROVALS:**

Each request shall be considered in terms of 1) the benefits and advantages accruing to Miami-Dade County; 2) the compatibility of said business with the normal operations and purpose of the property; 3) the nature and the magnitude of the activity and whether a concession, lease or other authorization would be more appropriate; and 4) the desirability of the proposed activity as it relates and contributes to the economic and social well-being of the community; and 5) that the organization seeking approval is in good standing with the County. Under no circumstances, however, is the County obligated to issue a permit.

Upon receipt of a person's or firm's application, the department director shall enter a recommendation and forward a copy of the department's completed application form to the County Manager Mayor or County Mayor's designee. Approved permits (form ~~105.04-3, Permit to Conduct Private Business or County Property~~) or rejected applications will be returned to the department director who shall notify the permit applicant of the final action.

**PERMITS:**

Permits shall be issued for a specific time period not to exceed one year in duration, are non-transferable, and may be revoked at any time at the discretion of the department director. Each permit holder shall keep a copy of the approved permit at each business site. A master file of all permits shall be maintained by the County Manager Mayor or County Mayor's designee.

**BLANKET PERMITS:**

To facilitate the issuance of permits at events hosted by the County in which a number of vendors may be involved, departments may request authorization from the County Manager Mayor or County Mayor's designee to allow department directors to directly issue vendor permits for those events. The request for authorization shall be by memorandum and sample permit form identifying and detailing the event, dates, estimated number of types of vendors, and the terms and conditions that will apply to the vendors at the event. A listing of the vendors issued permits is to be sent to the County ~~Manager~~ Mayor or County Mayor's designee upon termination of the event. All permits shall expire at the termination of each event and may not carry forward to future events.

**EXTENSIONS:**

Permits to conduct private business on County property or at a County facility, other than those specifically exempted in the section below, may be renewed once, for a one-year period, upon approval by the County Manager Mayor or County Mayor's designee. If a person or firm wishes to continue to conduct private business on County property after the renewal period has expired, a concession or, lease, or other contractual arrangement is required. The County will follow competitive procedures prior to awarding any concession, or lease, or other contractual arrangement, where applicable. Notwithstanding the foregoing, if the County has issued a solicitation but has not issued a final award for the lease, concession or other contractual arrangement prior to the expiration of the one-year renewal period, then the County Mayor or County Mayor's designee may authorize a permit's term to continue for a time period not to exceed one additional year on a month-to-month basis until a concession, lease, or related contractual agreement is awarded through a competitive process.

**COST RECOVERY:**

It is the County's policy to recover all costs associated with the private use of county property. Examples of said costs include property rental charges, utilities, maintenance, security, clean up, and administrative overhead. Lost revenue may also be considered a cost. In addition, the County may require, as a condition of granting a permit, a share of the anticipated revenues of the permitted activity.

The waiver of any or all costs accruing to the County from the use of County property shall be the sole prerogative of the ~~b~~Board of County Commissioners.

**EXCEPTIONS:**

If the permit is for 14 or fewer consecutive days per year, or 15 or fewer consecutive weekends per year, or other similar configuration of days or weekends, it shall be considered to have been issued for a "limited time period" and shall be renewable without limit at the County's discretion.

In situations where the County routinely issues permits to all legitimate applicants wishing to conduct business at a specific location, where it is clearly evident that the services and products are being provided competitively, the County may, at its discretion, renew said

permits indefinitely without requesting bids and proposals. Examples of such permits include the permission given to various vendors to provide goods and services to the airlines and shipping lines that use County facilities.

Other permits which may be renewed without limit at the County's discretion include those issued to:

1. ~~Permits issued to p~~Persons or firms engaged in fundraising activities which are specifically organized for the sole purpose of promoting community interest and welfare ~~may be renewed without limit at the County's discretion; or~~
2. Other governmental organizations or state political subdivisions; or
3. Not-for-profit youth, adult and senior cultural, conservation and parks and recreation program service providers; or
4. Entities maintaining County property, including grove maintenance and harvesting.

**PARCEL B DAILY FEE SCHEDULE\*:**

Below is the daily fee schedule for use of Parcel B. These fees will increase each October 1<sup>st</sup> by the Consumer Price Index for All Urban Consumers (CPI-U). For any event on Parcel B that does not fall into the categories listed below, the County Mayor or County Mayor's designee will apply a fee that is consistent with the fees listed below based on the scope of that event relative to these categories:

<u>Carnivals</u>	
<u>Deposit</u>	<u>\$5,000</u>
<u>Daily Special Use Fee</u>	<u>\$18,000 (includes sales tax)</u>
<u>Private Parties</u>	
<u>Deposit</u>	<u>\$2,000</u>
<u>Daily Special Use Fee</u>	<u>\$2,500 (includes sales tax)</u>
<u>Concerts</u>	
<u>Deposit</u>	<u>\$5,000</u>
<u>Daily Special Use Fee:</u>	<u>\$36,000 (includes sales tax)</u>
<u>Staging for Circus</u>	
<u>Deposit</u>	<u>\$5,000.00</u>
<u>Daily Special Use Fee:</u>	<u>\$1,300.00 (includes sales tax)</u>
<u>Staging for Concerts - Only applies to AAA events. Parking only allowed on gravel.</u>	
<u>Deposit</u>	<u>\$2,000</u>
<u>Daily Special Use Fee:</u>	<u>\$1,100 (includes sales tax)</u>
<u>Valet Parking - Only applies to AAA events. Parking only allowed on gravel.</u>	
<u>Deposit</u>	<u>\$2,000</u>
<u>Daily Special Use Fee:</u>	<u>\$4,000 (includes sales tax)</u>

\*The fees above are per diem fees. For example, if Parcel B is utilized for a two-day concert, the use fee equals \$36,000 x 2 = \$72,000

Application for, and approval of, use of Parcel B through a Permit shall be subject to all of the aforementioned procedures and policies in this Implementing Order. The Arena Agreements that include the Amended and Restated Management Agreement; Amended and Restated Miami Heat License Agreement; Amended and Restated Assurance Agreement; Amended and Restated Management and Assurance Agreement Guaranty; Amended and Restated Development Agreement; and Amended and Restated Development Agreement and Guaranty do not grant the Miami Heat, Basketball Properties, Ltd., or their affiliates, successors and assigns (Heat Group) exclusive use of Parcel B. If the Heat Group wishes to use Parcel B it will have to procure a permit through the process set forth in this IO or any other process permitted by law.

Revenues received from Parcel B fees, net of operating and maintenance costs incurred by the Internal Services Department, will be allocated to the Parks, Recreation and Open Spaces Department for capital improvements at County parks.

This ~~Administrative Order~~ Implementing Order is hereby submitted to the Board of County Commissioners of Miami-Dade County, Florida.

Approved by the County Attorney as  
to form and legal sufficiency \_\_\_\_\_